



Ernst & Young Inc.
Calgary City Centre
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NOTICE TO EMPLOYEE

RE: NOTICE OF CLAIMS PROCESS PURSUANT TO THE CLAIMS PROCEDURE ORDER DATED SEPTEMBER 14, 2016

Date: September 19, 2016

On April 26, 2016, Ernst & Young Inc. (the “**Receiver**”) was appointed as receiver of the current and future assets, undertakings and properties of Mosaic Energy Ltd. (“**Mosaic**”), pursuant to an order of the Court of Queen’s Bench of Alberta (the “**Court**”).

On September 14, 2016, the Court granted a further order, prescribing the process by which the identity and status of all claims against Mosaic is to be established for the purposes of the receivership proceedings (the “**Claims Procedure Order**”). A copy of the Claims Procedure Order may be accessed online at www.ey.com/ca/mosaic.

Capitalized terms not defined herein have the meaning given to such terms in the Claims Procedure Order.

Pursuant to the Claims Procedure Order, the Receiver is required to send a notice to each terminated Employee of Mosaic. This Notice is to indicate the amount and classification of such Employee’s Claim, as determined by the Receiver on the basis of its review of the books and records of Mosaic.

DISPUTE OF ASSESSMENT

The Claims Procedure Order establishes an Employee Claims Procedure, whereby if an Employee disagrees with the Receiver’s assessment of such Employee’s Claim, the Employee must complete and return an Employee Proof of Claim advancing a different amount and/or claiming secured status if applicable, attaching any supporting documentation. The Employee Proof of Claim must be completed using the attached form, and returned to the Receiver by registered mail, courier, email (in PDF format), personal delivery or facsimile transmission, addressed to:

Ernst & Young Inc., Court-appointed receiver of Mosaic Energy Ltd.
Attn: Carolyn Parker
2200, 215 2nd Street SW
Calgary, AB T2P 1M4
Email: carolyn.parker@ca.ey.com
Telephone: (403) 206-5331
Fax: (403) 206-5075

The completed Employee Proof of Claim must be actually received by the Receiver no later than 5:00 PM (Calgary Time) on October 26th, 2016 (the “Claims Bar Date”).

If you are receiving this Notice to Employee after October 26th, 2016, the Completed Employee Proof of Claim must be actually received by the Receiver no later than 5:00 PM (Calgary Time) on the thirtieth (30th) Calendar Day after the date of this Notice to Employee, or if that day falls on a weekend or statutory holiday, the next Business Day (the “Subsequent Employee Claims Bar Date”).

If no Employee Proof of Claim is received on or before the Claims Bar Date, or the Subsequent Employee Claims Bar Date, as the case may be, you will be conclusively deemed to have accepted the amount of your Claim as set out herein, and its status as unsecured. In all such cases your Claim as set out herein shall be a Proven Claim in the Receivership of Mosaic.

A copy of the Employee Proof of Claim form is enclosed; however, further copies may be accessed at www.ey.com/ca/mosaic.

If you choose to complete an Employee Proof of Claim, please note the following:

1. the person signing the form must have knowledge of the circumstances connected with the Claim;
2. the person signing the form must insert the place and date in the space provided; and
3. the signature must be witnessed.

Notice of Revision or Disallowance by the Receiver

If you send a completed Employee Proof of Claim to the receiver in accordance with the above, the Receiver will review the Employee Proof of Claim, and provide you with a notice in writing by registered mail, courier, email, or facsimile to advise as to whether your Claim is accepted, disputed in whole, or disputed in part. Where the Claim is disputed in whole or in part, the Receiver will issue a Notice of Revision or Disallowance indicating the reasons for the revision, or the disallowance, of your Claim.

Notice of Dispute by Employee

If you disagree with the Receiver's revision or disallowance of your Claim, the Employee Claims Procedure allows you to dispute the Receiver's revision or disallowance of your Claim by taking the following steps:

1. completing and returning a Notice of Dispute on the form prescribed in the Claims Procedure Order;
2. delivering the completed Notice of Dispute to the Receiver by registered mail, courier service, email (in PDF format) or facsimile within fifteen (15) Calendar Days of the date on which you receive the Notice of Revision or Disallowance from the Receiver; and
3. file an application with the designated Employee Claims Officer, returnable within ten (10) Calendar Days of the date on which the Notice of Dispute is delivered to the Receiver, supported by an affidavit setting out the reasons for the dispute regarding your Claim.

The Employee Claims Officer will have the authority to decide any dispute regarding your Claim between you and the Receiver. Your Claim as determined by the Employee Claims Officer shall be a Proven Claim in the receivership of Mosaic.



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CLAIMS NOT PROVEN OR ACCEPTED IN ACCORDANCE WITH THE PROCEDURES SET OUT IN THIS NOTICE TO EMPLOYEE, THE EMPLOYEE CLAIMS PROCEDURE, AND THE CLAIMS PROCEDURE ORDER, WILL BE FOREVER BARRED AND MAY NOT THEREAFTER BE ADVANCED AGAINST MOSAIC.

Additional information regarding the Mosaic receivership, as well as blank copies of any of the forms referenced herein, may be accessed at www.ey.com/ca/mosaic.

If you have any questions regarding the Employee Claims Procedure, as set out above, or the Claims Procedure Order, please contact the Receiver directly.

Dated the 19th day of September, 2016, at Calgary, Alberta,
Ernst & Young, Inc., in its capacity as court-appointed Receiver of Mosaic Energy, Ltd.

Per:

Peter Chisholm, CA, CIRP
Vice-President