COURT FILE NO.	1601-06131
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANT	**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED** **AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CONNACHER OIL AND GAS LIMITED**
DOCUMENT	**2019 CREDITORS' MEETINGS ORDER**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**Cassels Brock & Blackwell LLP** Suite 3810, Bankers Hall West 888-3rd Street SW Calgary, Alberta T2P 5C5 Attn: Ryan Jacobs/Joseph Bellissimo/Natalie E. Levine Tel: 403-351-2920 Fax: 403-648-1151 rjacobs@casselsbrock.com jbellissimo@casselsbrock.com nlevine@casselsbrock.com

Clerk's Stamp

JUDICIAL CENTRE OF CALGARY
FILED
MAY 16 2019
CLERK OF THE COURT

DATE ON WHICH ORDER WAS PRONOUNCED:	May 16, 2019
LOCATION OF HEARING OR TRIAL:	Calgary, Alberta
NAME OF JUDGE WHO MADE THIS ORDER:	The Honourable Mr. Justice Jones

I hereby certify this to be a true copy of the original ORDER.
dated this 16 day of May 2019
for Clerk of the Court

UPON the application of Connacher Oil and Gas Limited (the "**Applicant**") for an Order, among other things, (i) accepting the filing of the Plan of Compromise and Arrangement dated May 6, 2019, as it may be amended, restated, supplemented or replaced in accordance with its terms and the Amended and Restated Support Agreement, attached hereto as Schedule "B" (the "**Plan**"); (ii) authorizing the classification of creditors for purposes of voting on the Plan; (iii) authorizing and directing the Applicant to call, hold and conduct meetings of Affected Creditors to vote on resolutions to approve the Plan; (iv) authorizing and directing the mailing and distribution of the First Lien Lenders Meeting Materials, the Beneficial Noteholder Information Package and the General Creditors Meeting Materials; (v) approving the procedures to be followed with respect to the Creditors' Meetings; and (vi) setting a date for the hearing of the Applicant's application for an Order sanctioning the Plan;

AND UPON having read the Application, the Affidavit of Merle Johnson sworn May 6, 2019 (the "**Johnson Affidavit**"), the Affidavit of Richard Comstock sworn May 7, 2019, the 21st Report of Ernst & Young Inc., as the Court-appointed Monitor of the Applicant, and the pleadings and proceedings herein, including the Initial Order granted on May 17, 2016 (the "**Initial Order**");

AND UPON hearing counsel for the Applicant, the Monitor, the First Lien Agent and the Consenting First Lien Lenders, and counsel for the other interested parties appearing, with no one else appearing although duly served as appears from the Affidavits of Service of Benjamin Goodis sworn May 6, 2019 and May 7, 2019 and the Affidavits of Service of Linda Passilidis sworn May 7, 2019 and May 8, 2019, filed;

IT IS HEREBY ORDERED AND DECLARED THAT:

DEFINED TERMS

1. All capitalized terms not otherwise defined herein have the meaning ascribed to them in (i) the Plan; or (ii) the Glossary of Terms attached as Schedule "A" hereto.

SERVICE

2. Service of this Application and supporting documents is hereby deemed to be good and sufficient, the time for notice is hereby abridged to the time provided, and no other person is required to have been served with notice of this Application.

INTERPRETATION

3. All references to time herein shall mean local time in Calgary, Alberta, Canada, and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day unless otherwise indicated herein.

4. All references to the word "including" shall mean "including without limitation".

5. All references to the singular herein shall include the plural, the plural include the singular and any gender includes the other gender.

THE PLAN

6. The Plan is hereby accepted for filing and the Applicant is hereby authorized and directed to call the Creditors' Meetings for the purpose of having the Affected Creditors vote on the Plan in the manner set out herein.

7. The Applicant may, at any time and from time to time prior to the Creditors' Meetings, amend, restate, modify and/or supplement the Plan, with the consent of the Majority Consenting First Lien Lenders and the Monitor, provided that any such variation, modification, amendment or supplement shall be posted on the Website and email notice shall be provided to the Service List.

8. The Applicant may propose a variation, modification, amendment or supplement to the Plan during the Creditors' Meetings, with the consent of the Majority Consenting First Lien Lenders and the Monitor, provided that notice of such variation, modification, amendment or supplement is given to all Creditors entitled to vote and present in person at the applicable Creditors' Meeting(s) prior to the vote being taken

at such Creditors' Meeting(s). Any variation, amendment, modification or supplement at a Creditors' Meeting(s) shall be posted promptly on the Website, served by email to the Service List and filed with the Court as soon as practicable following the applicable Creditors' Meeting(s).

9. The Applicant may, at any time and from time to time after one or more of the Creditors' Meetings (and both prior to and subsequent to obtaining the Sanction Order), amend, restate, vary, modify and/or supplement the Plan without the need for obtaining an Order or providing notice to the Creditors, if the Applicant, the Monitor and the Majority Consenting First Lien Lenders, acting reasonably and in good faith, determine that such amendment, restatement, variation, modification or supplement would not be materially prejudicial to any of the Creditors under the Plan or is necessary in order to give effect to the substance of the Plan or the Sanction Order. All other amendments, restatements, variations, modifications or supplements to the Plan shall be subject to approval by the Monitor, the Majority Consenting First Lien Lenders and an Order of the Court.

SUPPLEMENT TO INFORMATION CIRCULAR

10. With the consent of the Majority Consenting First Lien Lenders and the Monitor, the Applicant may, from time to time until the date that is five (5) days prior to the Creditors' Meetings, supplement the Information Circular in connection with providing the First Lien Lenders with details concerning the terms of the Shareholders Agreement, the New Senior Secured Term Facility Agreement and/or the information required in respect of the registration of the New Shares, provided that any such supplement(s) shall be disseminated to the First Lien Lenders in the same manner as the Information Circular.

MONITOR'S ROLE

11. The Monitor, in addition to its prescribed rights and obligations under the CCAA and any Orders made in this CCAA Proceeding, is hereby directed and empowered to

take such other actions and fulfill such other roles as are authorized by this 2019 Creditors' Meetings Order.

12. In carrying out the provisions of this 2019 Creditors' Meetings Order, the Monitor shall: (i) have all the protections given to it by the CCAA and any Orders made in this CCAA Proceeding, or as an officer of the Court, including the stay of proceedings in its favour; (ii) incur no liability or obligation as a result of carrying out the provisions of this 2019 Creditors' Meetings Order, save and except for any gross negligence or wilful misconduct on its part; (iii) be entitled to rely on the books and records of the Applicant and any information provided by the Applicant, CDS, DTC, the Participant Holders, the Solicitation and Information Agent, the First Lien Agent, the Second Lien Trustee, the Affected Creditors and any information acquired by the Monitor as a result of carrying out its duties under this 2019 Creditors' Meetings Order without independent investigation; and (iv) not be liable for any claims or damages resulting from any errors or omissions in such books, records or information.

PUBLICATION OF NEWSPAPER NOTICE

13. The Monitor will cause the Newspaper Notice to be published on or prior to May 23, 2019 in each of the *Daily Oil Bulletin,* the *Calgary Herald* and the *Globe and Mail (National Edition)*, provided that the Monitor shall not be required to publish any further notice in the case of an adjournment of the Creditors' Meeting(s).

SHAREHOLDER NOTICE

14. As soon as practicable after the granting of this 2019 Creditors' Meetings Order, the Applicant shall issue the Shareholder Notice and the Monitor shall post an electronic copy thereof on the Website.

15. Pursuant to and in accordance with the terms of the Plan, no meetings or votes of Existing Shareholders or holders of Equity Claims are required or shall occur in connection with the Plan.

FORMS OF DOCUMENTS

16. The (i) forms of Notice to Affected Creditors, First Lien Lenders Proxy, General Creditors Proxy, Distribution Election Notice, Beneficial Noteholders' Notice, Voting Information and Election Form, Shareholder Notice, Newspaper Notice, Insured Claim Option Notice and Master Proxy attached hereto, and (ii) the Information Circular substantially in the form attached to the Johnson Affidavit, as may be amended, supplemented or restated in accordance with paragraph 10 herein, are hereby approved. The Applicant may make any changes to such materials as are necessary or desirable to conform the content thereof to the terms of the Plan or this 2019 Creditors' Meetings Order.

CLASSIFICATION OF CREDITORS

17. For the purposes of considering and voting on the Plan, there will be two (2) Classes of Creditors:

(a) the First Lien Lender Class; and

(b) the General Creditor Class.

NOTICE TO THE FIRST LIEN LENDERS

18. The Monitor shall, forthwith following the date of this 2019 Creditors' Meetings Order, post electronic copies of the First Lien Lenders Meeting Materials on the Website.

19. Only Beneficial First Lien Lenders as of the First Lien Record Date are entitled to receive notice of the Creditors' Meetings and vote at the Creditors' Meetings, without prejudice to any other record date or dates for the purposes of distributions under the Plan or for other purposes.

20. Within one (1) Business Day following the date of this 2019 Creditors' Meetings Order the First Lien Agent shall provide the Applicant and the Monitor with a complete list of the names and email addresses of the Beneficial First Lien Lenders

and the amount of the First Lien Claim held by such Beneficial First Lien Lender as of the First Lien Record Date.

21. The Monitor shall, on or prior to the Mailing Date, send the First Lien Lenders Meeting Materials by email to the First Lien Agent who will distribute such materials to each Beneficial First Lien Lender in accordance with paragraph 20 of this 2019 Creditors' Meetings Order. The Monitor will also provide a copy of the First Lien Lenders Meeting Materials to counsel to the Consenting First Lien Lenders.

NOTICE TO BENEFICIAL NOTEHOLDERS

22. Only the Beneficial Noteholders as of the Second Lien Notes Record Date are entitled to receive notice of the Creditors' Meetings and vote at the Creditors' Meeting of General Creditors, without prejudice to any other record date or dates for the purpose of distributions under the Plan or for other purposes.

23. Within one (1) Business Day following the date of this 2019 Creditors' Meetings Order, the Solicitation and Information Agent shall provide the Applicant, and the Monitor with the Participant Holders List.

24. The Solicitation Agent shall (i) determine the number of Beneficial Noteholder Information Packages that Broadridge or each mailing intermediary requires in order to provide a Beneficial Noteholder Information Package to each Beneficial Noteholder that has an account (directly or indirectly through an agent or custodian) with a Participant Holder, and (ii) by no later than May 27, 2019, send a Beneficial Noteholder Information Package to (a) the Second Lien Trustee, and (b) to Broadridge and other mailing intermediaries for distribution to each Beneficial Noteholder as set out in the books and records of each Participant Holder in accordance with the terms of this 2019 Creditors' Meetings Order and standing procedures. The Solicitation and Information Agent shall mail a Beneficial Noteholder Information Package to Registered Holders.

25. The Solicitation and Information Agent shall, as soon as practical following the filing of the Information Circular on SEDAR, cause CDS and DTC to publish a bulletin to Participant Holders outlining the particulars of the Creditors' Meetings and the instructions for obtaining and recording the Voting Instructions.

26. Beneficial Noteholders are required to provide their Voting Instructions to their Participant Holder in accordance with the Voting Information and Election Form on or prior to the Beneficial Noteholder Voting and Election Deadline, or such earlier deadline that their Participant Holder may require subject to a later date as the Applicant, in consultation with the Monitor and the Majority Consenting First Lien Lenders, may agree in the event of an adjournment, postponement or other rescheduling of the Creditors' Meeting of General Creditors in order to vote at the Creditors' Meeting of General Creditors. Registered Holders other than CDS or DTC will provide the Voting Information and Election Form directly to the Solicitation and Information Agent prior to the Proxy Deadline.

27. If multiple Voting Instructions are received from the same Beneficial Noteholder, the latest dated Voting Instruction will supersede and revoke any earlier received Voting Instructions. If multiple Voting Instructions are received from the same Beneficial Noteholder and such Voting Instructions are dated with the same date but are voted inconsistently, such Voting Instructions will not be counted. If Voting Instructions are not dated, they shall be deemed dated as of the date received by the Participant Holder.

28. Each Participant Holder shall provide to the Solicitation and Information Agent a Master Proxy containing all Voting Instructions received from Beneficial Noteholders as soon as practical following the Beneficial Noteholder Voting and Election Deadline and in any event by no later than 5:00 p.m. on June 18, 2019 or such later date as the Applicant, in consultation with the Monitor and the Majority Consenting First Lien Lenders, may agree in the event of an adjournment, postponement or other

rescheduling of the Creditors' Meeting of General Creditors. The Solicitation and Information Agent shall deliver to the Monitor the tabulation of votes cast by Beneficial Noteholders, which shall include the votes deemed to be cast FOR the Plan by those Beneficial Noteholders who are Convenience Class Creditors. The Solicitation and Information Agent shall provide the Master List to the Monitor and the Scrutineers for the Creditors' Meeting of General Creditors prior to 9:00 a.m. on the Creditors' Meetings Date. The voting tabulation shall separately identify the principal value and number of Beneficial Noteholders voting FOR and AGAINST the Plan, following normal industry procedures.

29. The accidental failure of, or accidental omission by, the Solicitation and Information Agent to provide a copy of the Beneficial Noteholder Information Package to any one or more of the Participant Holders, the non-receipt of a copy of the Beneficial Noteholder Information Package by any Beneficial Noteholder beyond the reasonable control of the Solicitation and Information Agent or any failure or omission to provide a copy of the Beneficial Noteholder Information Package as a result of events beyond the reasonable control of the Solicitation and Information Agent (including, without limitation, any inability to use postal services) shall not constitute a breach of this 2019 Creditors' Meetings Order, and shall not invalidate any resolution passed or proceedings taken at the Creditors' Meeting of General Creditors, but if any such failure or omission is brought to the attention of the Solicitation and Information Agent prior to the Creditors' Meeting of General Creditors, then the Solicitation and Information Agent shall use reasonable efforts to rectify the failure or omission by the method and in the time most reasonably practicable in the circumstances.

NOTICE TO GENERAL CREDITORS

30. The Monitor shall forthwith, following the date of this 2019 Creditors' Meetings Order, post electronic copies of the General Creditors Meeting Materials on the Website.

31. The Monitor shall, on the Mailing Date, deliver the General Creditors Meeting Materials by pre-paid ordinary mail, courier, personal delivery or email to each General Creditor (other than First Lien Lenders and Second Lien Noteholders), at the address set out in such General Creditor's Proof of Claim (or in any other written notice that has been received by the Monitor in advance of such date regarding a change of address for a General Creditor).

MONITOR'S REPORT ON PLAN

32. No later than seven (7) days before the Creditors' Meetings Date, the Monitor shall serve a report regarding the Plan pursuant to section 23(1)(d.1) of the CCAA on the Service List and cause such report to be posted on the Website.

CONDUCT OF MEETINGS AND DELIVERY OF PROXIES

33. The Applicant is hereby authorized and directed to call the Creditors' Meetings and to hold and conduct the Creditors' Meetings at, in the case of the Creditors' Meeting of the First Lien Lender Class, 11:30 a.m., and, in the case of the meeting of the General Creditor Class, at 11:45 a.m., on the Creditors' Meetings Date, at the offices of Cassels Brock & Blackwell LLP, Suite 3810, Bankers Hall West, 888 3rd Street SW, Calgary, Alberta, in the manner set forth herein. In the event that the Creditors' Meetings Date is extended after the Mailing Date, the Monitor shall post notice of the extension of the Creditors' Meetings Date on the Website and provide notice of the extension of the Creditors' Meetings Date to the Service List.

34. The Chairperson shall preside as the chair of each of the Creditors' Meetings and, subject to this 2019 Creditors' Meetings Order or any further Order of the Court, shall decide all matters relating to the conduct of each of the Creditors' Meetings.

35. The Monitor may appoint one or more Scrutineers for the supervision and tabulation of the attendance at, quorum at and votes cast at each of the Creditors' Meetings.

One or more people designated by the Monitor shall act as Secretary at each of the Creditors' Meetings.

36. The quorum required at each Creditors' Meeting shall be one (1) Affected Creditor with an Accepted Claim against the Applicant present in person or by proxy at the applicable Creditors' Meeting.

37. If the requisite quorum is not present at any Creditors' Meeting, or if the Creditors' Meetings Date is postponed or rescheduled pursuant to the terms of this Order, then the Chairperson shall reschedule the Creditors' Meeting(s) to a new date, time and place. Any adjournment or adjournments described in this paragraph 37 shall be for a period of not more than seven (7) days in total unless otherwise agreed to by the Applicant, the Majority Consenting First Lien Lenders and the Monitor. In the event of any adjournment described in this paragraph 37, no Person shall be required to deliver any notice of the adjournment of the Creditors' Meeting(s) or adjourned Creditors' Meeting(s), provided that the Monitor shall: (i) announce the adjournment at the Creditors' Meeting(s) or adjourned Creditors' Meeting(s), as applicable; (ii) post notice of the adjournment at the originally designated time and location of the Creditors' Meeting(s) or adjourned Creditors' Meeting(s), as applicable; (iii) forthwith post notice of the adjournment on the Website; and (iv) provide notice of the adjournment to the Service List forthwith. Any General Creditors Proxies and First Lien Lenders Proxies validly delivered in connection with the Creditors' Meeting(s) shall be accepted as proxies in respect of any adjourned Creditors' Meeting(s).

38. The only Persons entitled to attend and speak at a Creditors' Meeting are: (i) the Affected Creditors entitled to vote at that Creditors' Meeting (or, if applicable, any Person holding a valid First Lien Lenders Proxy or General Creditors Proxy on behalf of one or more such Affected Creditors) and any such Affected Creditor's legal counsel and financial advisors; (ii) Convenience Class Creditors, (iii) the Chairperson, the Scrutineer and the Secretary; (iv) the Monitor and the Monitor's

legal counsel; (v) one or more representatives of the current board of Directors and/or senior management of the Applicant, as selected by the Applicant, and the Applicant's legal counsel and financial advisors; (vi) the Consenting First Lien Lenders' legal counsel and financial advisors; (vii) the First Lien Agent and its legal counsel; (viii) the Second Lien Trustee and its legal counsel; (ix) the Solicitation and Information Agent, and (x) the Financial Advisor. Any other person may be admitted to a Creditors' Meeting on invitation of the Applicant, in consultation with the Monitor.

39. The Monitor may, with the consent of the Applicant, waive in writing the time limits imposed on Affected Creditors as set out in this 2019 Creditors' Meetings Order (including the schedules hereto), generally or in individual circumstances, if the Monitor deems it advisable to do so.

ASSIGNMENT OF AFFECTED CLAIMS PRIOR TO THE CREDITORS' MEETINGS

40. Subject to any restrictions contained in Applicable Laws, a General Creditor (other than a holder of a First Lien Deficiency Claim or a Beneficial Noteholder) may transfer or assign the whole of its Claim prior to the Creditors' Meeting of General Creditors (or any adjournment thereof), provided that neither the Applicant nor the Monitor shall be obliged to deal with any transferee or assignee thereof as a General Creditor in respect of such Claim, including allowing such transferee or assignee to attend or vote at the Creditors' Meeting of General Creditors, unless and until a Proof of Assignment has been received and acknowledged by the Monitor in writing, on or before 5:00 p.m. on the date that is ten (10) Business Days prior to the Creditors' Meeting of General Creditors (or any adjournment thereof). If the Monitor receives and acknowledges such Proof of Assignment in accordance with this Order: (i) the transferor of the applicable Claim shall no longer constitute a General Creditor in respect of such Claim; and (ii) the transferee or assignee of the applicable Claim shall constitute a General Creditor in respect of such Claim and shall be bound by any and all notices previously given to the transferor or assignor in respect thereof

and shall be bound by any General Creditors Proxy duly submitted to the Monitor in accordance with this 2019 Creditors' Meetings Order. For greater certainty, if a General Creditor transfers the whole of its Claim to more than one Person or part of such Claim to another Person after the Filing Date, such transfer shall not create a separate Voting Claim and such Claim shall continue to constitute and be dealt with for the purposes hereof as a single Voting Claim, provided that such General Creditor may, by notice in writing to the Monitor and acknowledged by the Monitor in writing prior to 5:00 p.m. on the date that is ten (10) Business Days prior to the Creditors' Meeting of General Creditors (or any adjournment thereof), direct that the subsequent dealings in respect of such Claim, but only as a whole, shall be with a specified Person and in such event, such transferee of the Claim and the whole of such Claim shall be bound by any notices given or steps taken in respect of such Claim.

41. Only those Beneficial First Lien Lenders that have beneficial ownership of a portion of the First Lien Claim at the First Lien Record Date shall be entitled to vote at the Creditors' Meetings. Nothing in this 2019 Creditors' Meetings Order, including paragraph 40, restricts any Beneficial First Lien Lenders from transferring or assigning its portion of the First Lien Claim prior to or after the First Lien Record Date, provided that if such transfer or assignment occurs after the First Lien Record Date, only the original Beneficial First Lien Lender as at the First Lien Record Date shall be treated as a Beneficial First Lien Lender for purposes of this 2019 Creditors' Meetings Order. For greater certainty, any transferee or assignee who takes assignment of a portion of the First Lien Claim after the First Lien Record Date will be required to obtain its entitled distribution from the transferor or assignor, who will remain the party treated as a Beneficial First Lien Lender pursuant to this 2019 Creditors' Meetings Order.

42. Only those Beneficial Noteholders that have beneficial ownership of one or more Second Lien Notes as at the Second Lien Notes Record Date shall be entitled to vote at the Creditors' Meeting of General Creditors. Nothing in this 2019 Creditors' Meetings Order, including paragraph 40, restricts any Beneficial Noteholders from transferring or assigning its Second Lien Notes prior to or after the Second Lien Notes Record Date, provided that if such transfer or assignment occurs after the Second Lien Notes Record Date, only the original Beneficial Noteholder as at the Second Lien Notes Record Date shall be treated as a Beneficial Noteholder for purposes of this 2019 Creditors' Meetings Order.

43. The provisions of this 2019 Creditors' Meetings Order shall govern the assignment of Claims and override the assignment provisions contained at paragraphs 37 through 39 of the Claims Procedure Order, except in respect of claims that have, as at the date of this 2019 Creditors' Meetings Order, been acknowledged by the Monitor in writing as assigned pursuant to the Claims Procedure Order.

VOTING AT THE MEETING OF THE FIRST LIEN LENDER CLASS

44. Each Beneficial First Lien Lender shall be entitled to one vote as a member of the First Lien Lender Class, which vote shall have a value equal to the dollar value of such Beneficial First Lien Lender's Pro Rata Share of the First Lien Claim as of the First Lien Record Date.

VOTING AT THE MEETING OF THE GENERAL CREDITOR CLASS

45. Each General Creditor shall be entitled to one vote as part of the General Creditor Class, which vote shall have a value equal to the aggregate dollar value of such General Creditor's:

   (a) Pro Rata Share, if any, of the First Lien Deficiency Claim as of the First Lien Record Date;

(b) Pro Rata Share, if any, of the Second Lien Deficiency Claim as of the Second Lien Notes Record Date, which vote, for greater certainty, shall be made by submitting Voting Instructions to the applicable Participant Holder in accordance with the terms of this 2019 Creditors' Meetings Order; and

(c) the balance of such General Creditor's Voting Claim, if any.

46. For greater certainty, with respect to voting by Beneficial Noteholders, only the Beneficial Noteholders through their Participant Holder, and not the Registered Holder or Participant Holder (unless such Registered Holder or Participant Holder holds such Second Lien Notes as beneficial owner on its own behalf) shall be entitled to vote on the Plan using the procedures provided for in this 2019 Creditors' Meetings Order. Beneficial Noteholders must disclose their beneficial owner information through their Participant Holder in order to vote on the Plan. Participant Holders will aggregate Voting Instructions submitted by Beneficial Noteholders and submit a Master Proxy to the Solicitation and Information Agent.

47. Any General Creditor with an Accepted Claim greater than $2,000 (other than a Beneficial Noteholder) may make a Distribution Election in respect of their General Creditor Claim by submitting a Distribution Election Notice to the Monitor by no later than 5:00 p.m. on the Distribution Election Deadline. A Beneficial Noteholder with an Accepted Claim greater than $2,000 may make a Distribution Election by identifying itself and instructing its Participant Holder in accordance with the Voting Information and Election Form, which must be provided to the Participant Holder prior to the Beneficial Noteholder Voting and Election Deadline. Unlike other General Creditors, a Beneficial Noteholder with an Accepted Claim equal to or less than $2,000 will only be deemed to be a Convenience Class Creditor if it provides a Voting Information and Election Form identifying itself and instructing its Participant Holder to make a Distribution Election prior to the Beneficial Noteholder Voting and Election Deadline. All Beneficial Noteholders with Accepted Claims in any amount who do not provide a

Voting Information and Election Form to their Participant Holder prior to the Beneficial Noteholder Voting and Election Deadline will not be deemed to make a Distribution Election or be deemed to be Convenience Class Creditors and will instead be entitled to such Beneficial Noteholder's Pro Rata Share of the General Creditor Pool. For greater certainty, Beneficial Noteholders who take assignment following the Second Lien Notes Record Date are not entitled to return Voting Instructions or make a Distribution Election and shall be bound by and subject to any Voting Information and Election Form delivered in respect of such Second Lien Notes in accordance with this 2019 Creditors' Meetings Order.

48. Notwithstanding anything else in this 2019 Creditors' Meetings Order, each Convenience Class Creditor will be deemed to vote as part of the General Creditor Class in favour of the Plan. Each vote shall have a value equal to such Convenience Class Creditor's Distribution Election Amount. Convenience Class Creditors shall not be entitled to vote at the Creditors' Meeting of General Creditors, whether in person or by proxy.

GENERAL VOTING PROCEDURE AND PROXIES

49. At each Creditors' Meeting, the Chairperson shall direct a vote, by written ballot, on a resolution to approve the Plan and any amendments thereto.

50. Subject to paragraph 45, for the purpose of calculating the two-thirds majority in value of Accepted Claims at each Creditors' Meeting, the aggregate amount of Accepted Claims of all Affected Creditors that vote in favour of the Plan (in person or by proxy) at the Creditors' Meeting shall be divided by the aggregate amount of all Voting Claims of all Affected Creditors that vote on the Plan (in person or by proxy) at the Creditors' Meeting.

51. For the purposes of tabulating the votes cast on any matter that may come before a Creditors' Meeting, the Chairperson shall be entitled to rely on any vote cast by a

holder of a First Lien Lenders Proxy and/or a General Creditors Proxy that has been duly submitted to the Monitor in the manner set forth in this 2019 Creditors' Meetings Order.

52. Any Affected Creditor (other than a Beneficial Noteholder) that is entitled to vote at one or more Creditors' Meetings must: (i) duly complete and sign a First Lien Lenders Proxy or General Creditors Proxy, as applicable; (ii) specify in the First Lien Lenders Proxy and/or General Creditors Proxy the name of the Person with the power to attend and vote at the applicable Creditors' Meeting(s) on behalf of such Affected Creditor, as the case may be; and (iii) deliver such First Lien Lenders Proxy and/or General Creditors Proxy, as the case may be, to the Monitor so that it is received on or before the Proxy Deadline and such delivery must be made in accordance with the instructions accompanying such First Lien Lenders Proxy and/or General Creditors Proxy. Upon receipt of a First Lien Lenders Proxy from a First Lien Lender, the Monitor shall deliver a copy of the Issuance Instructions included in a First Lien Lenders Proxy to the Solicitation and Information Agent.

53. The vote "FOR" or "AGAINST" a resolution indicated by a First Lien Lender on its First Lien Lenders Proxy shall be deemed to be such First Lien Lender's vote in respect of any General Creditor Claims, including any First Lien Deficiency Claims or Second Lien Deficiency Claims, held by such First Lien Lender for the Creditor's Meeting of General Creditors, provided however that a First Lien Lender shall also return a Voting Information and Election Form to their Participant Holder prior to the Beneficial Noteholder Voting and Election Deadline for its vote in respect of its Second Lien Deficiency Claim to be recorded.

54. In the event that an Affected Creditor (other than a Beneficial Noteholder) validly submits a Proxy to the Monitor and subsequently attends a Creditors' Meeting in person and votes inconsistently, such Affected Creditor's vote at the applicable Creditors' Meeting shall supersede and revoke the earlier received Proxy.

55. In the event that a Beneficial Noteholder who holds General Creditor Claims other than Second Lien Deficiency Claims submits Voting Instructions and a General Creditors Proxy with inconsistent votes, its vote in respect of their entire General Creditor Claim shall be deemed invalid and shall be disregarded and not counted for any purpose.

56. Notwithstanding anything in paragraphs 52 or 53 or any minor error or omission in any First Lien Lenders Proxy or General Creditors Proxy that is submitted to the Monitor, the Chairperson shall have the discretion to accept for voting purposes any First Lien Lenders Proxy or General Creditors Proxy submitted to the Monitor in accordance with this 2019 Creditors' Meetings Order.

VOTING OF DISPUTED CLAIMS

57. If there is any dispute as to the amount of the Pro Rata Share of the First Lien Claim or the First Lien Deficiency Claim owing to any individual Beneficial First Lien Lender, the Monitor will request the First Lien Agent to confirm with the Monitor the information provided with respect to such Beneficial First Lien Lender's Claim. If any such dispute is not resolved by the date of the Creditors' Meetings (or any adjournment thereof), the Monitor shall tabulate the vote FOR or AGAINST the Plan in respect of the disputed amount owing or claimed to be owing to such Beneficial First Lien Lender separately. If: (i) any such dispute remains unresolved as of the Sanction Hearing date; and (ii) the approval or non-approval of the Plan would be affected by the votes cast in respect of such disputed amount, then such result shall be reported to the Court at the Sanction Hearing and, if necessary, the Applicant or the Monitor may make a request to the Court for directions.

58. If there is any dispute as to the amount owing under or number of Second Lien Notes held by any Beneficial Noteholder, the Monitor will request the Participant Holder, if any, who maintains book entry records or other records evidencing such Beneficial

Noteholder's ownership of Second Lien Notes, to confirm with the Monitor the information provided with respect to such Beneficial Noteholder's Claim. If any such dispute is not resolved by the date of the Creditors' Meeting of General Creditors (or any adjournment thereof), the Monitor shall tabulate the vote FOR or AGAINST the Plan in respect of the disputed amount owing or claimed to be owing under such Beneficial Noteholder's Second Lien Notes separately. If: (i) any such dispute remains unresolved as of the Sanction Hearing Date; and (ii) the approval or non-approval of the Plan would be affected by the votes cast in respect of such disputed amount, then such result shall be reported to the Court at the Sanction Hearing and, if necessary, the Applicant or the Monitor may make a request to the Court for directions.

59. Notwithstanding anything to the contrary herein or in the Plan, each Affected Creditor with a Disputed Claim against the Applicant as at the Creditors' Meetings Record Date shall be entitled to attend the applicable Creditors' Meeting(s) and shall be entitled to one vote at said Creditors' Meeting(s) in respect of such Disputed Claim. Any vote cast in respect of a Disputed Claim shall be dealt with in accordance with paragraph 60, unless and until (and then only to the extent that) such Disputed Claim is ultimately determined to be: (i) an Accepted Claim, in which case such vote shall have the dollar value attributable to such Accepted Claim; or (ii) a Disallowed Claim, in which case such vote shall be disregarded and not counted for any purpose.

60. The Monitor shall keep a separate record of votes cast by Affected Creditors with Disputed Claims and shall report to the Court with respect thereto at the Sanction Hearing. If approval or non-approval of the Plan by Affected Creditors would be affected by the votes cast in respect of Disputed Claims, such result shall be reported to the Court as soon as reasonably practicable after the Creditors' Meetings.

61. The Applicant and the Monitor shall have the right to seek the assistance of the Court at any time in valuing any Disputed Claim if required to ascertain the result of any vote on the Plan.

APPROVAL OF THE PLAN

62. The Plan must receive an affirmative vote of the Required Majorities at each Creditors' Meeting in order to be approved by the Affected Creditors.

63. The result of any vote at any of the Creditors' Meetings shall be binding on all Affected Creditors, regardless of whether such Affected Creditor was present at or voted at the applicable Creditors' Meeting(s) or was entitled to be present or vote at either of or both of the Creditors' Meetings.

64. Having been advised of the provisions of Multilateral Instrument 61-101 "*Protection of Minority Security Holders in Special Transactions*", relating to the requirement for "minority" shareholder approval in certain circumstances, this Court orders that no meeting of shareholders or other holders of Equity Claims in the Applicant is required to be held in respect of the Plan.

PLAN SANCTION

65. The Monitor shall provide the Monitor's Report Regarding the Creditors' Meetings to the Court as soon as practicable after the Creditors' Meetings with respect to:

(a) the results of any votes taken at the Creditors' Meetings (or any adjournment thereof);

(b) whether each of the Required Majorities has approved the Plan;

(c) any separate tabulation of votes required by paragraphs 57, 58 or 60 herein; and

(d) in its discretion, any other matter relating to the Applicant's motion seeking sanction of the Plan.

66. An electronic copy of the Monitor's Report Regarding the Creditors' Meetings and a copy of the materials filed in respect of the Sanction Hearing shall be served on the Service List and posted on the Website prior to the Sanction Hearing.

67. In the event the Plan is approved by each of the Required Majorities, the Sanction Hearing shall be held on the Sanction Hearing Date.

68. Any Person who wishes to oppose the Sanction Hearing shall serve on the Applicant, the Monitor and the Service List a notice setting out the basis for such opposition and a copy of the materials to be used to oppose the Sanction Hearing by no later than 5:00 p.m. on the date that is seven (7) Business Days prior to the Sanction Hearing Date.

69. Service of this 2019 Creditors' Meetings Order by the Monitor or the Applicant to the parties on the Service List shall constitute good and sufficient service of notice of the Sanction Hearing on all Persons entitled to receive such service and no other form of notice or service need be made and no other materials need be served in respect of the Sanction Hearing, except that, subject to paragraph 68, any party who intends to rely upon any additional materials in support of the Sanction Hearing shall also serve the Service List with such additional materials by no later than 5:00 p.m. on the date that is at least one (1) Business Day prior to the Sanction Hearing Date.

70. In the event that the Sanction Hearing is adjourned, only those Persons appearing on the Service List as of the date of service or who have provided notice under paragraph 68 herein shall be served with notice of the adjourned date.

MISCELLANEOUS

71. Notwithstanding anything contained in this 2019 Creditors' Meetings Order, the Applicant may decide not to call, hold and conduct one or more of the Creditors' Meetings, provided that:

(a) in the case of a decision not to conduct a Creditors' Meeting, the Monitor, the Applicant or the Chairperson shall communicate such decision to Affected Creditors present at the Creditors' Meeting(s) prior to any vote being taken at the Creditors' Meeting(s);

(b) the Applicant shall forthwith provide notice to the Service List of any such decision and shall file a copy thereof with the Court forthwith and in any event prior to the Sanction Hearing; and

(c) the Monitor shall post an electronic copy of any such decision on the Website forthwith and in any event prior to the Sanction Hearing.

72. Nothing in this 2019 Creditors' Meetings Order (including the acceptance or determination of any Claim, or any part thereof, as a Voting Claim in accordance with this 2019 Creditors' Meetings Order) has the effect of determining Accepted Claims for purposes of distributions or payments under the Plan.

73. The Monitor's fulfillment of the notice, delivery and Website posting requirements set out in this 2019 Creditors' Meetings Order shall constitute good and sufficient notice, service and delivery thereof on all Persons who may be entitled to receive notice, service or delivery thereof or who may wish to be present or vote (in person or by proxy) at the Creditors' Meetings, and that no other form of notice, service or delivery need be given or made on such Persons and no other document or material need be served on such Persons.

74. The Applicant and the Monitor shall use reasonable discretion as to the adequacy of compliance with respect to the manner in which any forms hereunder are completed and executed and the time in which they are submitted and may waive strict compliance with the requirements of this 2019 Creditors' Meetings Order including with respect to the completion, execution and time of delivery of required forms.

75. The Applicant or the Monitor may, from time to time, apply to the Court to amend, vary, supplement or replace this 2019 Creditors' Meetings Order or for advice and directions concerning the discharge of their respective powers and duties under this 2019 Creditors' Meetings Order or the interpretation or application of this 2019 Creditors' Meetings Order.

76. Subject to any further Order of the Court, in the event of any conflict, inconsistency, ambiguity or difference between the provisions of the Plan and this 2019 Creditors' Meetings Order, the provisions of the Plan shall govern and be paramount, and any such provision of this 2019 Creditors' Meetings Order shall be deemed to be amended to the extent necessary to eliminate any such conflict, inconsistency, ambiguity or difference.

77. Any notice or other communication to be given under this 2019 Creditors' Meetings Order by an Affected Creditor to the Applicant, the Monitor or the Consenting First Lien Lenders shall be in writing in substantially the form, if any, provided for in this 2019 Creditors' Meetings Order and will be sufficiently given only if given by prepaid ordinary mail, registered mail, courier, personal delivery, or email addressed to:

The Applicant	Connacher Oil and Gas Limited Suite 1040 – 640 5th Ave SW Calgary, Alberta T2P 3G4 Attention: Suzanne Loov Email: sloov@connacheroil.com
With a copy to the Applicant's counsel and a copy to the Monitor (which shall not constitute notice):	Cassels Brock & Blackwell LLP Scotia Plaza, 40 King Street West Suite 2100 Toronto, ON M5H 3C2 Attention: Ryan Jacobs/ Joseph Bellissimo E-mail: rjacobs@casselsbrock.com/ jbellissimo@casselsbrock.com
The Monitor:	Ernst & Young Inc. Calgary City Centre 2200-215 2nd Street SW

	Calgary, Alberta T2P 1M4 Attention: Peter Chisholm/Jose Aldana Herbas E-mail: peter.chisholm@ca.ey.com/ jose.aldana.herbas@ca.ey.com
With a copy to the Monitor's Counsel (which shall not constitute notice):	McCarthy Tétrault LLP Suite 4000, 421 7th Avenue SW Calgary, Alberta T2P 4K9 Attention: Sean F. Collins/Walker MacLeod E-mail: scollins@mccarthy.ca/ wmacleod@mccarthy.ca
The Consenting First Lien Lenders	Bennett Jones LLP 3400 One First Canadian Place P.O. Box 130 Toronto, ON M5X 1A4 Attention: Sean Zweig/ Michael Shakra Email: zweigs@bennettjones.com shakram@bennettjones.com

78. Any such notice or other communication shall be deemed to have been received: (a) if sent by prepaid ordinary mail or registered mail, on the third (3rd) Business Day after mailing in Alberta, the fifth (5th) Business Day after mailing within Canada (other than within Alberta), and the tenth (10th) Business Day after mailing internationally; (b) if sent by courier or personal delivery, on the next Business Day following dispatch; and (c) if sent by email by 5:00 p.m. on a Business Day, on such Business Day and if delivered after 5:00 p.m. or other than on a Business Day, on the following Business Day.

79. In the event that the day on which any notice or communication required to be delivered pursuant to this 2019 Creditors' Meetings Order is not a Business Day, then such notice or communication shall be required to be delivered on the next Business Day.

80. If, during any period during which notices or other communications are being given pursuant to this 2019 Creditors' Meetings Order, a postal strike or postal work stoppage of general application should occur, such notices or other communications

sent by ordinary or registered mail and then not received shall not, absent further Order of this Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery or e-mail in accordance with this 2019 Creditors' Meetings Order.

81. This Court hereby requests the aid and recognition of any court, tribunal, and regulatory or administrative body having jurisdiction in Canada or the United States, or in any other foreign jurisdiction, to give effect to this 2019 Creditors' Meetings Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this 2019 Creditors' Meetings Order. All courts, tribunals, and regulatory or administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant, or any of them, and to the Monitor, as an officer of the Court, as may be necessary or desirable to give effect to this 2019 Creditors' Meetings Order, to grant representative status to the Applicant in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this 2019 Creditors' Meetings Order.

"C. Jones"

J.C.Q.B.A.

SCHEDULE "A"

GLOSSARY

For the purposes of this 2019 Creditors' Meetings Order, the following terms shall have the following meanings[1]:

(a) "**2019 Creditors' Meetings Order**" means this order, as amended, restated or varied from time to time by subsequent Order(s);

(b) "**Amended and Restated Support Agreement**" means that certain Amended and Restated Support Agreement dated May 6, 2019 among the Company, the Consenting First Lien Lenders and the First Lien Agent, as may be amended from time to time;

(c) "**Applicant**" has the meaning given to it in the preamble to this 2019 Creditors' Meetings Order;

(d) **"Beneficial Noteholder Information Package"** includes the Beneficial Noteholders' Notice, the 2019 Creditors' Meetings Order, the Information Circular, and the Voting Information and Election Form;

(e) "**Beneficial Noteholder Voting and Election Deadline**" means 5:00 p.m. two Business Days before the Creditors' Meetings Date;

(f) "**Beneficial Noteholders' Notice**" means the notice substantially in the form attached as Schedule "G" hereto;

(g) "**Broadridge**" means Broadridge Financial Solutions, Inc.

(h) "**Court**" means the Court of Queen's Bench of Alberta;

(i) "**CDS**" means CDS Clearing and Depository Services Inc.;

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[1] Capitalized terms not defined in the Glossary have the meanings given to them in the Plan.

(j) "**Chairperson**" means a representative of the Monitor, designated by the Monitor, who will preside as the chair of each of the Creditors' Meetings;

(k) "**Convenience Class Claim**" means (a) any Accepted Claim of a General Creditor in an amount that is less than or equal to $2,000, and (b) any Accepted Claim of a General Creditor in an amount greater than $2,000 if the relevant Creditor has made a valid Distribution Election for purposes of the Plan.

(l) "**Convenience Class Creditor**" means a General Creditor with a Convenience Class Claim, provided that in order to be a Convenience Class Creditor in respect of a Second Lien Deficiency Claim a Beneficial Noteholder must deliver a Voting Information and Election Form.

(m) "**Creditors' Meetings**" means the creditors' meetings of the (i) First Lien Lender Class, and (ii) the General Creditor Class, and includes any adjournments or postponements thereof;

(n) "**Creditors' Meetings Date**" means June 19, 2019, provided that the Creditors' Meetings Date may be adjourned, postponed or otherwise rescheduled by (i) the Applicant with the consent of the Monitor and the Majority Consenting First Lien Lenders, or (ii) the vote of a majority in value of Voting Claims of the Affected Creditors present at the applicable Creditors' Meetings in person or by proxy;

(o) "**Distribution Election Deadline**" means 5:00 p.m. two Business Days before the Creditors' Meetings Date;

(p) "**DTC**" means The Depository Trust Company;

(q) "**First Lien Lenders Meeting Materials**" means copies of:

(i) the Notice to Affected Creditors;

(ii) the Information Circular;

(iii) the 2019 Creditors' Meetings Order; and

(iv) a blank form of the First Lien Lenders Proxy;

(r) "**First Lien Lenders Proxy**" means a proxy substantially in the form attached as Schedule "D" hereto, to be submitted to the Monitor by a Beneficial First Lien Lender who wishes to vote at the meeting of the First Lien Lender Class and at the meeting of the General Creditor Class, whether by voting in person or by proxy;

(s) "**First Lien Record Date**" means May 16, 2019;

(t) "**General Creditors Meeting Materials**" means copies of:

(i) the Notice to Affected Creditors

(ii) the Information Circular;

(iii) the 2019 Creditors' Meetings Order;

(iv) a blank form of the General Creditors Proxy;

(v) the Distribution Election Notice; and

(vi) the Insured Claim Option Notice;

(u) "**General Creditors Proxy**" means a proxy substantially in the form attached as Schedule "E" hereto, to be submitted to the Monitor by any General Creditor who wishes to vote at the meeting of the General Creditor Class, whether in person or by proxy;

(v) "**Information Circular**" means the information circular in respect of the Plan and the Creditors' Meetings substantially in the form attached as Exhibit "F" to the Johnson Affidavit, as the same may be amended, supplemented or restated from time to time;

(w) “**Initial Order**” means the Initial Order granted by the Honourable Madam Justice Dario on May 17, 2016;

(x) “**Insured Claim Option Notice**” means the notice pursuant to paragraph 16 of this 2019 Creditors’ Meetings Order, substantially in the form attached as Schedule “K” hereto;

(y) “**Issuance Instructions**” means the instructions provided by a First Lien Lender in a First Lien Lenders Proxy for the issuance of the New Shares;

(z) “**Johnson Affidavit**” has the meaning given to it in the preamble to this 2019 Creditors’ Meetings Order;

(aa) “**Mailing Date**” means the second (2nd) Business Day following the date of this 2019 Creditors’ Meetings Order;

(bb) “**Master List**” means the master list of all Voting Instructions and Distribution Election Notices provided by Participant Holders to the Solicitation and Information Agent;

(cc) “**Master Proxy**” means the proxy to be delivered by each Participant Holder to the Solicitation and Information Agent, substantially in the form attached as Schedule “L” hereto;

(dd) “**Monitor’s Report Regarding the Creditors’ Meetings**” means a report of the Monitor regarding the Creditors’ Meetings;

(ee) “**Newspaper Notice**” means the notice for publication pursuant to paragraph 13 of this 2019 Creditors’ Meetings Order, substantially in the form attached as Schedule “J” hereto;

(ff) "**Notice to Affected Creditors**" means the notice to Affected Creditors substantially in the form attached as Schedule "C " hereto;

(gg) "**Participant Holder**" means an institution that is a CDS or DTC participant with respect to the Second Lien Notes;

(hh) "**Participant Holders List**" means the list provided by the Second Lien Trustee to the Monitor showing the names of Participant Holders and the principal amount of Second Lien Notes held by each Participant Holder as at the Second Lien Notes Record Date;

(ii) "**Proxy Deadline**" means 5:00 p.m. two Business Days before the Creditors' Meetings Date;

(jj) "**Registered Holder**" means, in respect of the Second Lien Notes, the holder of such Second Lien Notes as recorded on the books and records of the Second Lien Trustee;

(kk) "**Required Majorities**" means, with respect to each Class of Affected Creditors, the affirmative vote of a majority in number of all voting (in person or by proxy) Creditors holding Accepted Claims in such Class and representing not less than 66⅔% in value of the Accepted Claims voting (in person or by proxy) in such Class at such Creditors' Meeting;

(ll) "**Sanction Hearing**" means the Applicant's Application for the Sanction Order on the Sanction Hearing Date;

(mm) "**Sanction Hearing Date**" means June 20, 2019, or such later date as may be acceptable to the Applicant, the Monitor and the Majority Consenting First Lien Lenders;

(nn) "**Scrutineer**" means a scrutineer appointed by the Monitor;

(oo) "**Second Lien Notes Record Date**" means May 16, 2019;

(pp) "**Secretary**" means a secretary at each Creditors' Meeting designated by the Monitor;

(qq) "**SEDAR**" means the System for Electronic Document Analysis and Retrieval system for public filing of securities regulatory information, accessible online at the web address https://www.sedar.com/;

(rr) "**Service List**" means the list of counsel and other interested parties who have requested service of materials filed with the Court in the CCAA Proceeding, as posted by the Monitor on the Website;

(ss) "**Shareholder Notice**" means the press release to be issued by the Applicant including the information contained in Schedule "I" hereto;

(tt) "**Solicitation and Information Agent**" means Kingsdale Advisors;

(uu) **"Voting Information and Election Form"** means the Voting Information and Election Form for Beneficial Noteholders substantially in the form attached as Schedule "H " hereto; and

(vv) **"Voting Instructions"** means the voting instructions and Distribution Election Notices submitted by Beneficial Noteholders entitled to vote at the Creditors' Meeting of General Creditors.

SCHEDULE “B”

PLAN OF COMPROMISE AND ARRANGEMENT

COURT FILE NUMBER	1601-06131
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANT	**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED** **AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CONNACHER OIL AND GAS LIMITED**
DOCUMENT	**PLAN OF COMPROMISE AND ARRANGEMENT**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**CASSELS BROCK & BLACKWELL LLP** Bankers Hall West 888-3rd Street SW Suite 3810 Calgary, Alberta T2P 5C5 Attn: Ryan Jacobs/Joseph Bellissimo/Natalie Levine Tel: 403-351-2920 Fax: 403-648-1151 rjacobs@casselsbrock.com jbellissimo@casselsbrock.com nlevine@casselsbrock.com

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PLAN OF COMPROMISE AND ARRANGEMENT OF CONNACHER OIL AND GAS LIMITED

Pursuant to the *Companies' Creditors Arrangement Act* (Canada) and the *Canada Business Corporations Act*

Dated May 6, 2019

RECITALS

A. The Company is a corporation incorporated under the CBCA and is insolvent.

B. The Company commenced a proceeding under the CCAA and obtained the Initial Order from the CCAA Court on May 17, 2016 which, among other things, appointed the Monitor of the Company, stayed proceedings against the Company and permitted the filing, upon further Order of the CCAA Court, of a plan of compromise or arrangement under the CCAA.

C. The Company, the Consenting First Lien Lenders and the First Lien Agent entered into the Support Agreement pursuant to which the Consenting First Lien Lenders agreed to the Recapitalization and agreed to support this Plan.

D. This Plan will facilitate the continuation of the business of the Company as a going concern and makes provision for recoveries to certain stakeholders.

NOW THEREFORE the Company hereby proposes and presents this Plan under and pursuant to the CCAA and the CBCA:

ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Plan (including the Schedules hereto), unless otherwise stated, the capitalized terms and phrases set out below shall have the following meanings:

"**Accepted Claim**" means the Affected Claim of a Creditor, as finally determined in accordance with the Claims Procedure Order, the Supplemental Claims Procedure Order, any other Order and/or this Plan and, for greater certainty (a) the Accepted Claim of each First Lien Lender shall be its Pro Rata Share of the First Lien Claim and (b) the Accepted Claim of each Second Lien Noteholder shall be its Pro Rata Share of the Second Lien Claim;

"**Administration Charge**" means the Administration Charge granted under the Initial Order;

"**Administration Expenses**" has the meaning given to it in Section 3.4 of this Plan;

"**Administrative Reserve Fund**" has the meaning given to it in Section 3.4 of this Plan;

"**AER**" means the Alberta Energy Regulator;

"**Affected Claim**" means a Claim, other than an Unaffected Claim;

"**Affected Creditor**" means a holder of an Affected Claim;

"**Akin Gump**" means Akin Gump Strauss Hauer & Feld LLP;

"**Alleged Directors' Charge Claim**" has the meaning given to it in Section 3.8(b) of this Plan;

"**Alleged Priority Secured Claim**" has the meaning given to it in Section 3.5(b) of this Plan;

"**Alleged Retention Plan Claim**" has the meaning given to it in Section 3.8(c) of this Plan;

"**Applicable Law**" means, at any time, in respect of any Person, property, transaction, event or other matter, as applicable, all laws, rules, statutes, regulations, treaties, orders, judgments and decrees, and all official requests, directives, rules, guidelines, orders, policies, practices and other requirements of any Authorized Authority;

"**ATB**" means ATB Financial;

"**ATB Charge**" means the charge granted in favour of ATB in the ATB Credit Facilities Order;

"**ATB Credit Facilities**" means those certain credit facilities provided to the Company by ATB as approved in the ATB Credit Facilities Order;

"**ATB Credit Facilities Order**" means the Order (Approval of ATB Credit Facilities) granted by the CCAA Court in the CCAA Proceeding dated November 10, 2017;

"**Authorized Authority**" means, in relation to any Person, property, transaction, event or other matter, as applicable, any:

(a) federal, provincial, territorial, state, municipal or local governmental body (whether administrative, legislative, executive or otherwise), both domestic and foreign;

(b) agency, authority, commission, instrumentality, regulatory body, court, or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, including any Taxing Authority;

(c) court, arbitrator, commission or body exercising judicial, quasi-judicial, administrative or similar functions; or

(d) other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange,

in each case having jurisdiction over such Person, property, transaction, event or other matter;

"**Authorization Order**" means an Order to be sought by the Company from the CCAA Court on or about May 16, 2019 that, among other things, approves the Support Agreement, approves the Credit Bid KERP and seals certain portions of the Support Agreement;

"**BEH**" means Burgess Energy Holdings L.L.C.;

"**BEH Royalty Agreement**" means that certain royalty agreement between the Company and BEH dated January 29, 2018, approved pursuant to the BEH Royalty Approval Order;

"**BEH Royalty Approval Order**" means the Order granted in the CCAA Proceeding dated January 29, 2018 approving the BEH Royalty Agreement;

"**Beneficial First Lien Lender**" means a beneficial holder of a portion of the First Lien Claim;

"**Beneficial Noteholder**" means (i) a registered holder of Second Lien Notes, if such registered holder holds Second Lien Notes as principal and for its own account; or (ii) a holder who is not a registered holder but is a beneficial or entitlement holder of Second Lien Notes who holds such Second Lien Notes in one or more securities account(s) with a depository participant or other securities intermediary, including for greater certainty, such depository participant or other securities intermediary only if and to the extent such depository participant or other securities intermediary holds Second Lien Notes as principal and for its own account;

"**BIA**" means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended;

"**Business Day**" means, with respect to any action to be taken, any day, other than Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Calgary, Alberta, Canada;

"**Cash on Hand**" means all cash and cash equivalents (including marketable securities and short-term investments), including any funds being held by the Company as Shut Down Restricted Cash pursuant to the Initial Order, but, for greater certainty, shall exclude any funds held by ATB as security for obligations under the ATB Credit Facilities and any funds held on deposit or in escrow in respect of insurance policies in favour of the Directors or Officers which shall be applied on the Effective Date as set out in Schedule "A" to this Plan;

"**Cassels**" means Cassels Brock & Blackwell LLP;

"**CBCA**" means the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended;

"**CCAA**" means the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;

"**CCAA Charges**" means the Administration Charge, the Directors' Charge, the KERP/LTIP Charge, the ATB Charge, the Financial Advisor Charge, and the KEIP Charge, each as may be amended by Order of the CCAA Court;

"**CCAA Court**" means the Court of Queen's Bench of Alberta;

"**CCAA Proceeding**" means the proceedings commenced by the Company under the CCAA on May 17, 2016 in the CCAA Court bearing Court File No. 1601-06131;

"**Claim**" means any of the following:

(a) a First Lien Claim, including a First Lien Deficiency Claim;

(b) a Second Lien Claim, including a Second Lien Deficiency Claim;

(c) a Pre-Filing Claim;

(d) a Restructuring Period Claim;

(e) a D&O Claim;

(f) a D&O Restructuring Period Claim;

(g) a D&O Indemnity Claim;

(h) a Post-Filing D&O Claim;

(i) a Secured Claim;

(j) a Priority Secured Claim;

(k) an Equity Claim;

(l) a Post-Filing Claim;

(m) a Convenience Class Claim;

(n) a Crown Priority Claim;

(o) an Employee Priority Claim;

(p) a Municipal Tax Claim; and

(q) an Outstanding Municipal Tax Claim.

"**Claims Procedure Order**" means the Claims Procedure Order granted by the CCAA Court in the CCAA Proceeding dated August 24, 2016, as such Order may be amended, restated or varied from time to time by subsequent Order(s);

"**Class**" means any one of the classes of Creditors set out in Section 3.2 hereof for the purpose of considering and voting upon this Plan and receiving distributions hereunder;

"**Collateral Trust Agreement**" means the collateral trust and intercreditor agreement dated December 3, 2007 initially among, *inter alios*, the Company, the guarantors party thereto, The Bank of New York Mellon (formerly known as The Bank of New York), the Collateral Trustee and Royal Bank of Canada, as amended, restated, supplemented or replaced from time to time;

"**Collateral Trustee**" means Computershare Trust Company of Canada, as collateral trustee for (i) the First Lien Agent and the First Lien Lenders under the First Lien Credit Agreement and (ii) the Second Lien Trustee and the purchasers under the Second Lien Indenture pursuant to the Collateral Trust Agreement;

"**Company**" means Connacher Oil and Gas Limited;

"**Consenting First Lien Advisors**" means Bennett Jones LLP, PricewaterhouseCoopers LLP and such other advisors as may be retained by the Consenting First Lien Lenders;

"**Consenting First Lien Lenders**" means those certain First Lien Lenders that are party to the Support Agreement;

"**Continuing Contract**" means a contract, arrangement or other agreement (oral or written) for which a notice of disclaimer pursuant to Section 32 of the CCAA has not been sent by the Company on or prior to the Disclaimer Deadline;

"**Convenience Class Claim**" means (a) any Accepted Claim of a General Creditor in an amount that is less than or equal to $2,000, and (b) any Accepted Claim of a General Creditor in an amount greater than $2,000 if the relevant Creditor has made a valid Distribution Election for purposes of this Plan in accordance with the Creditors' Meetings Order and this Plan;

"**Convenience Class Creditor**" means a General Creditor with a Convenience Class Claim, provided that in order to be a Convenience Class Creditor in respect of a Second

Lien Deficiency Claim a Beneficial Noteholder must deliver a Voting Information and Election Form in accordance with the Creditors' Meetings Order;

"**Credit Bid KERP**" means the credit bid key employee retention plan substantially in the form attached at Schedule "H" to the Support Agreement, as approved pursuant to the Authorization Order;

"**Creditor**" means any holder of a Claim and includes a transferee of a Claim that is recognized as a Creditor by the Monitor in accordance with this Plan, the Claims Procedure Order, the Supplemental Claims Procedure Order or any other Order, as applicable, or a trustee, liquidator, receiver, receiver and manager or other Person acting on behalf of such holder;

"**Creditors' Meetings**" means the meetings of each Class of Creditors called for the purposes of considering and voting in respect of this Plan, as set out in and held pursuant to the Creditors' Meetings Order, and includes any postponements or adjournments thereof;

"**Creditors' Meetings Order**" means an Order to be sought by the Company from the CCAA Court on or about May 16, 2019 that, among other things, accepts the filing of the Plan, and orders and declares the procedures to be followed in connection with the Creditors' Meetings, as such Order may be amended, restated or varied from time to time by subsequent Order;

"**Creditors' Meetings Record Date**" means, subject to the Creditors' Meetings Order, 1:00 p.m. (Calgary time) on the date that is two (2) Business Days prior to the Creditors' Meetings;

"**Crown**" means Her Majesty in right of Canada or any province or territory of Canada;

"**Crown Priority Claims**" means all unpaid amounts, if any, provided for in Section 6(3) of the CCAA;

"**D&O Claim**" has the meaning given to it in the Claims Procedure Order;

"**D&O Indemnity Claim**" means any existing or future right of any Director or Officer against the Company which arose or arises as a result of any Person filing a Proof of Claim in respect of such Director or Officer for which such Director or Officer is entitled to be indemnified by the Company;

"**D&O Restructuring Period Claim**" has the meaning given to it in the Claims Procedure Order;

"**Director**" means any Person who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, a director or *de facto* director of the Company;

“**Directors’ Charge**” means the Directors’ Charge granted under the Initial Order in favour of the Directors and Officers;

“**Directors’ Charge Claims Reserve**” has the meaning given to it in Section 3.8(b) of this Plan;

“**Disallowed Claim**” means a Claim (or any portion thereof) which has been finally disallowed in accordance with the Claims Procedure Order, the Supplemental Claims Procedure Order or any other Order;

“**Disclaimer Deadline**” means 5:00 p.m. (Calgary time) on the day which is 35 days prior to the Creditors’ Meeting for the General Creditor Class or if such day is not a Business Day then the immediately preceding Business Day;

“**Disputed Claim**” means that portion of a Claim in respect of which a Creditor has delivered a Notice of Dispute pursuant to the Claims Procedure Order or the Supplemental Claims Procedure Order which has not been allowed or accepted for voting and/or distribution purposes or which has not been barred or finally disallowed pursuant to the Claims Procedure Order or the Supplemental Claims Procedure Order. For greater certainty, once a Disputed Claim is finally determined, it shall become an Accepted Claim or Disallowed Claim;

“**Distribution Date**” means the date or dates from time to time on or after the Effective Date, set by the Monitor in its discretion, to effect interim and final distributions in respect of Accepted Claims;

“**Distribution Election**” means an election:

(a) made by a General Creditor with an Accepted Claim greater than $2,000 by delivery of a duly completed and executed Distribution Election Notice to the Monitor by no later than the Distribution Election Deadline electing to receive the Distribution Election Amount in full satisfaction of its Accepted Claim; and

(b) deemed to have been made by each General Creditor with an Accepted Claim equal to or less than $2,000, provided that in the case of a Beneficial Noteholder in respect of a Second Lien Deficiency Claim such Beneficial Noteholder shall have delivered a Voting Information and Election Form in accordance with the Creditors’ Meetings Order;

“**Distribution Election Amount**” means, in respect of any Accepted Claim of a General Creditor for which a valid Distribution Election has been made or has been deemed to have been made in accordance with this Plan, the lesser of (a) a cash amount equal to $2,000 and (b) the amount of such Accepted Claim;

“**Distribution Election Deadline**” has the meaning given to such term in the Creditors’ Meetings Order;

"**Distribution Election Notice**" means a notice substantially in the form attached to the Creditors' Meetings Order or, in the case of a Beneficial Noteholder, a Voting Information and Election Form;

"**Effective Date**" means the day on which the Monitor delivers the Monitor's Certificate to the Company and counsel to the Consenting First Lien Lenders pursuant to Section 8.3 of this Plan;

"**Effective Time**" means 12:01 a.m. (Calgary time) on the Effective Date or such other time as may be agreed to in writing by the Company and the Consenting First Lien Lenders;

"**Employee Priority Claim**" means all unpaid amounts, if any, provided for in Section 6(5)(a) of the CCAA;

"**Equity Claim**" has the meaning given to it in Section 2(1) of the CCAA;

"**Executive Employment Agreements**" means the key management employment agreements to be in place on the Effective Date in accordance with the Plan Term Sheet;

"**Existing Shareholders**" means the holders of the Existing Shares immediately prior to the Effective Time;

"**Existing Shares**" means the common shares, preferred shares, warrants and stock options in the capital of the Company;

"**Filing Date**" means May 17, 2016;

"**Financial Advisor**" means Houlihan Lokey Capital, Inc., financial advisor to the Company;

"**Financial Advisor Approval Order**" means the Order (Engagement of Financial Advisor) granted by the CCAA Court in the CCAA Proceeding dated February 28, 2018;

"**Financial Advisor Charge**" means the charge granted under the Financial Advisor Approval Order in favour of the Financial Advisor;

"**First Lien Agent**" means Wilmington Trust, National Association, in its capacity as administrative agent for the lenders under the First Lien Credit Agreement;

"**First Lien Claim**" means the amount of $292,217,713.47 owing by the Company under the First Lien Credit Agreement, inclusive of accrued interest thereon up to October 31, 2018;

"**First Lien Credit Agreement**" means that certain Credit Agreement dated as of May 23, 2014 among the Company, Wilmington Trust, National Association, in its capacity as successor administrative agent, and the lenders party thereto (as such agreement has been and may be amended, modified and supplemented from time to time, including by the Amendment No. 1 dated May 8, 2015);

"**First Lien Deficiency Claim**" means the amount of $117,000,000, which shall be deemed to be an unsecured deficiency Claim and constitute a General Creditor Claim for purposes of this Plan;

"**First Lien Lender Class**" means the Class comprised of the First Lien Lenders;

"**First Lien Lenders**" means any lender from time to time party to the First Lien Credit Agreement;

"**First Lien Record Date**" has the meaning given to it in the Creditors' Meeting Order;

"**General Creditor**" means the holder of a General Creditor Claim;

"**General Creditor Claim**" means all Affected Claims, other than First Lien Claims (except to the extent of a First Lien Deficiency Claim, which is a General Creditor Claim), Priority Secured Claims, Employee Priority Claims, Crown Priority Claims and Equity Claims;

"**General Creditor Class**" means the Class comprised of General Creditors;

"**General Creditor Pool**" means the amount of $500,000 plus the amount necessary to satisfy all Convenience Class Claims in accordance with Section 5.5 of this Plan;

"**Initial Distribution Date**" means a date not more than two (2) Business Days after the Effective Date or such other date specified in the Sanction Order;

"**Initial Distribution Record Date**" means the date that is five (5) Business Days prior to the Initial Distribution Date;

"**Initial Order**" means the Order granted by the CCAA Court in the CCAA Proceeding on May 17, 2016, as such Order may be amended, restated, varied or extended from time to time by subsequent Orders;

"**Insured Claim**" means that portion of a Claim arising from a cause of action for which the Company is insured under a policy or policies of insurance existing as of the Filing Date to the extent that such Claim, or portion thereof, is insured under such policies, limited to the amount of any insurance proceeds actually received in respect of such Claim;

"**Insured Claim Option Notice**" means a notice substantially in the form attached to the Creditors' Meetings Order, which will be final and irrevocable once delivered to the Monitor;

"**ITA**" means the *Income Tax Act* (Canada), R.S.C. 1985, c.1 (5^{th} Supp.), as amended;

"**KEIP**" means the key employee incentive plan approved pursuant to the Support Agreement & SISP Approval Order;

"**KEIP Charge**" means the charge granted under the Support Agreement & SISP Approval Order in favour of the beneficiaries of the KEIP and, pursuant to the Authorization Order, in favour of the beneficiaries of the Credit Bid KERP;

"**KERP**" means the key employee retention plan(s) approved pursuant to the Initial Order, the Supplemental KERP Order, the Second Supplemental KERP & LTIP 2017 Order and the Authorization Order;

"**KERP/LTIP Charge**" has the meaning given to it in the Initial Order, as amended by the Supplemental KERP Order and the Second Supplemental KERP & LTIP 2017 Order;

"**Lien**" means any mortgage, charge, pledge, assignment by way of security, lien, hypothec, security interest, deemed trust or other encumbrance granted or arising pursuant to a written agreement or statute or otherwise created by law;

"**LTIP**" means the Company's existing long term cash incentive plan, as amended and as approved in the Initial Order;

"**LTIP 2017**" means the Company's long term incentive plan payment as approved in the Second Supplemental KERP & LTIP 2017 Order;

"**Majority Consenting First Lien Lenders**" has the meaning given to it in the Support Agreement;

"**MIP**" means the management incentive plan to be in place on the Effective Date in accordance with the Plan Term Sheet;

"**Monitor**" means Ernst & Young Inc., solely in its capacity as Court-appointed monitor of the Company in the CCAA Proceeding, and not in its corporate or personal capacity;

"**Monitor's Certificate**" has the meaning given to it in Section 8.3 of this Plan;

"**Municipal Tax Claims**" means all amounts owing by the Company to the Municipality with respect to or on account of taxes of any kind whatsoever, including but not limited to property tax, equipment and machinery tax, linear property tax, education tax, and any interest, fees or penalties;

"**Municipal Tax Fund**" has the meaning given to it in Section 3.5(c) of this Plan;

"**Municipality**" means the Regional Municipality of Wood Buffalo;

"**New Board**" means the board of directors of the Company to be appointed and constituted on the Effective Date in accordance with this Plan and the Restructuring

Transactions, which shall be comprised of individuals selected in accordance with the Plan Term Sheet;

"**New Senior Secured Term Facility**" means the new senior secured term facility on the terms set out in the Plan Term Sheet to be entered into by the Company on the Effective Date in accordance with this Plan and the Restructuring Transactions;

"**New Senior Secured Term Facility Agent**" means Wilmington Trust, National Association, or such other agent acceptable to the Consenting First Lien Lenders, in its capacity as administrative agent for the lenders under the New Senior Secured Term Facility Agreement;

"**New Senior Secured Term Facility Agreement**" has the meaning given to it in Section 8.2(i) of this Plan;

"**New Shareholder Information**" means such information and documentation as the Company may require from recipients of the New Shares in order to comply with any anti-money laundering, know your client, proceeds of crime and other Applicable Laws applicable to the Company, which shall be communicated to the First Lien Lenders by the Company in accordance with the Creditors' Meeting Order;

"**New Shares**" means voting common shares of a newly created class of shares of the Company, to be designated as "Class A Common Shares", in such aggregate number as shall be determined by the Majority Consenting First Lien Lenders, which shall be issued by the Company to the First Lien Lenders, or their designates, in accordance with this Plan and, immediately following the issuance thereof, shall constitute all of the issued and outstanding shares of the Company;

"**Notice of Dispute**" has the meaning given to it in the Claims Procedure Order or the Supplemental Claims Procedure Order;

"**Officer**" means any Person who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, an officer or *de facto* officer of the Company;

"**Order**" means any final order of the CCAA Court in the CCAA Proceeding;

"**Outside Date**" has the meaning given to it in the Support Agreement;

"**Outstanding Municipal Tax Claims**" means (i) one third (1/3) of the amount of the Municipal Tax Claims for the calendar year 2018, being the portion of the Municipal Tax Claims for the 2018 calendar year attributable to the period from and after 12:01 a.m. on September 1, 2018 and (ii) the Municipal Tax Claims owing or to be owing for the calendar year 2019;

"**Person**" shall be broadly interpreted and includes an individual, partnership, firm, joint venture, venture capital fund, limited liability company, unlimited liability company, association, trust, entity, corporation, unincorporated association or organization, syndicate, committee, court appointed representative, the government of a country or any political subdivision thereof, or any agency, board, tribunal, commission, bureau, instrumentality or department of such government or political subdivision, or any other entity, howsoever designated or constituted, including any Taxing Authority, and the trustees, executors, administrators, or other legal representatives of an individual, and for greater certainty includes any Authorized Authority;

"**Plan**" means this Plan of Compromise and Arrangement (including the Recapitalization and the Restructuring Transactions) dated May 6, 2019, as it may be further amended, restated, supplemented or replaced in accordance with the terms hereof and the Support Agreement;

"**Plan Implementation Fund**" means an amount equal to the aggregate amount of funds to be delivered by the Company to the Monitor pursuant to Section 4.1 of this Plan, to be held and distributed by the Monitor in accordance with this Plan;

"**Plan Term Sheet**" means the Plan Term Sheet attached as Schedule "B" to the Support Agreement, as it may be amended, restated, supplemented or replaced in accordance with the terms of the Support Agreement;

"**Post-Filing Claims**" means any indebtedness, liability or obligation of the Company of any kind that arises during and in respect of the period commencing on the Filing Date and ending on the day immediately preceding the Effective Date in respect of services rendered or supplies provided to the Company during such period or under or in accordance with any Continuing Contract, provided that such amounts are not a Pre-Filing Claim, a Restructuring Period Claim, a D&O Restructuring Period Claim, a D&O Claim, a Post-Filing D&O Claim, an Alleged Directors' Charge Claim, a Secured Claim, a Priority Secured Claim, an Alleged Retention Plan Claim, an Alleged Priority Secured Claim, a Crown Priority Claim, a Municipal Tax Claim, an Outstanding Municipal Tax Claim, or an Employee Priority Claim;

"**Post-Filing D&O Claim**" has the meaning given to it in the Supplemental Claims Procedure Order;

"**Pre-Filing Claims**" means any right or claim of any Person that may be asserted or made in whole or in part against the Company, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including without limitation, by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract, arrangement or other agreement (oral or written), by reason of any breach of duty (including, without limitation, any legal, statutory, regulatory, equitable or fiduciary duty or obligation) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature including, without limitation, any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation, and any interest accrued thereon or costs payable in respect thereof (A) is based in whole or in part on facts prior to the Filing Date, (B) relates to a time period prior to the Filing Date, or (C) is a right or claim of any kind that would be a debt provable in bankruptcy within the meaning of the BIA had the Company become bankrupt on the Filing Date;

"**Priority Secured Claim**" means any Secured Claims (other than Employee Priority Claims, Crown Priority Claims or Claims secured by the CCAA Charges), which are Accepted Claims and are determined to be in priority to the Liens securing the First Lien Claims in accordance with the Supplemental Claims Procedure Order, but, for greater certainty, shall exclude a Municipal Tax Claim or any Claims held by ATB or BEH against the Company;

"**Priority Secured Claims Reserve**" has the meaning given to it in Section 3.5(b) of this Plan;

"**Pro Rata Share**" means the proportionate share of a Creditor's Accepted Claim to the total of all Accepted Claims and all Disputed Claims in such Creditor's Class and in the case of:

(i) the First Lien Claim, means the proportional share of a Beneficial First Lien Lender's holdings of the First Lien Claim to the total First Lien Claim;

(ii) the First Lien Deficiency Claim, means the proportional share of the sum of (a) the amount of accrued interest (but not principal) under a Beneficial First Lien Lender's Tranche A Loans as of October 31, 2018 plus (b) the amount of principal and accrued interest under such Beneficial First Lien Lender's Tranche B Loans as of October 31, 2018 to the sum of (x) the aggregate amount of accrued interest (but not principal) under the Tranche A Loans owing to all Tranche A Lenders as of October 31, 2018 plus (y) the aggregate amount of principal and accrued interest under the Tranche B Loans owing to all Tranche B Lenders as of October 31, 2018; and

(iii) the Second Lien Deficiency Claim, means the proportional share of a Second Lien Noteholder's holdings of Second Lien Notes to the total Second Lien Claim;

"**Professional Retainers**" means any monetary retainers previously provided by the Company to Cassels, other legal counsel or advisors to the Company, the Monitor, or legal counsel to the Monitor in connection with the CCAA Proceeding;

"**Proof of Assignment**" means a notice of transfer of a Claim executed by a Creditor and the transferee, together with satisfactory evidence of such transfer as may be reasonably required by the Monitor;

"**Proof of Claim**" means a proof of claim, in substantially the form(s) attached to the Claims Procedure Order or the Supplemental Claims Procedure Order, as submitted to the Monitor by a Creditor in accordance with the Claims Procedure Order or the Supplemental Claims Procedure Order;

"**Recapitalization**" means the transactions on the terms set out in the Plan Term Sheet;

"**Released Claims**" has the meaning given to it in Section 10.4 of this Plan;

"**Released Party**" has the meaning given to it in Section 10.4 of this Plan;

"**Required Majorities**" means, with respect to each Class of Affected Creditors, the affirmative vote of a majority in number of all voting (in person or by proxy) Creditors holding Accepted Claims in such Class and representing not less than 66⅔% in value of the Accepted Claims voting (in person or by proxy) in such Class at such Creditors' Meeting;

"**Restructuring Period Claim**" has the meaning given to it in the Claims Procedure Order;

"**Restructuring Transactions**" has the meaning given to it in Section 6.1 of this Plan;

"**Retention Plan Claims Reserve**" has the meaning given to it in Section 3.8(c) of this Plan;

"**Sanction Order**" means an Order, in form and substance acceptable to the Company, the Monitor, the Consenting First Lien Lenders and the First Lien Agent, each acting reasonably, among other things, sanctioning this Plan and giving directions regarding its implementation, which shall include the provisions set out in Section 8.1 of this Plan unless otherwise agreed to in writing by the Company, the Monitor, the Consenting First Lien Lenders and the First Lien Agent;

"**Second Lien Claim**" means the aggregate amount of $71,315,486.04 owing by the Company under the Second Lien Indenture, inclusive of accrued interest thereon up to October 31, 2018;

"**Second Lien Deficiency Claim**" means the entire amount of the Second Lien Claim which shall be deemed to be an unsecured deficiency claim and constitute a General Creditor Claim for the purpose of this Plan;

"**Second Lien Indenture**" means the indenture dated as of May 8, 2015 in respect of the Second Lien Notes among the Company, as issuer, and the Second Lien Trustee;

"**Second Lien Noteholders**" means holders of the Second Lien Notes;

"**Second Lien Notes**" means the 12% convertible second lien notes due August 31, 2018 issued pursuant to the Second Lien Indenture;

"**Second Lien Notes Record Date**" has the meaning given to it in the Creditors' Meetings Order;

"**Second Lien Trustee**" means Computershare Trust Company, N.A., in its capacity as trustee under the Second Lien Indenture;

"**Second Supplemental KERP**" means the second supplemental key employee retention plan approved pursuant to the Second Supplemental KERP & LTIP 2017 Order;

"**Second Supplemental KERP & LTIP 2017 Order**" means the Order (Stay Extension, JPL Settlement & Approval of Second Supplemental KERP and 2017 LTIP) granted by the CCAA Court in the CCAA Proceeding dated June 27, 2017;

"**Secured Claim**" has the meaning given to it in the Supplemental Claims Procedure Order;

"**Shareholders Agreement**" means the shareholders agreement to be made between and among the holders of the New Shares on the Effective Date, which shall be in form and substance acceptable to the Consenting First Lien Lenders;

"**Shut Down Restricted Cash**" has the meaning given to it in the Initial Order;

"**Supplemental Claims Procedure Order**" means the Order granted by the CCAA Court on August 22, 2018 that, among other things, provided for the filing and determination of Secured Claims, certain Post-Filing Claims and Post-Filing D&O Claims, as such Order may be amended, restated or varied from time to time by subsequent Order;

"**Supplemental KERP**" means the supplemental key employee retention plan approved pursuant to the Supplemental KERP Order;

"**Supplemental KERP Order**" means the Order (Stay Extension and Supplemental KERP) granted by the CCAA Court in the CCAA Proceeding dated November 14, 2016;

"**Support Agreement**" means that certain amended and restated support agreement dated May 6, 2019 among the Company, the Consenting First Lien Lenders and the First Lien Agent, as may be amended from time to time;

"**Support Agreement & SISP Approval Order**" means the Order (Support Agreement, SISP & KEIP) granted by the CCAA Court in the CCAA Proceeding dated March 28, 2018;

"**Tax**" or "**Taxes**" means any and all taxes including all income, sales, use, goods and services, harmonized sales, value added, capital, capital gains, alternative, net worth, transfer, profits, withholding, payroll, employer health, excise, franchise, real property and personal property taxes, and any other taxes, customs duties, fees, levies, imposts and other assessments or similar charges in the nature of a tax including Canada Pension Plan and provincial pension plan contributions, employment insurance and unemployment insurance payments and workers' compensation premiums, together with any instalments with respect thereto, and any interest, penalties, fines, fees, other charges and additions with respect thereto;

"**Taxing Authorities**" means Her Majesty the Queen, Her Majesty the Queen in right of Canada, Her Majesty the Queen in right of any province or territory of Canada, the Canada Revenue Agency, any similar revenue or taxing authority of each and every province or territory of Canada or municipality therein and any political subdivision thereof, and any Canadian or foreign governmental authority exercising taxing powers in administering and/or collecting Taxes;

"**Tranche A Lender**" means a First Lien Lender holding Tranche A Loans;

"**Tranche A Loans**" has the meaning given to it in the First Lien Credit Agreement;

"**Tranche B Lender**" means a First Lien Lender holding Tranche B Loans;

"**Tranche B Loans**" has the meaning given to it in the First Lien Credit Agreement;

"**Unaffected Claim**" has the meaning given to it in Section 3.3 of this Plan;

"**Unaffected Creditor**" means a holder of an Unaffected Claim;

"**Unissued New Shares**" has the meaning given to it in Section 7.1(c) of this Plan;

"**Voting Claim**" means the amount of an Affected Claim for which a Proof of Claim is filed, which, as at the Creditors' Meetings Record Date, (i) is an Accepted Claim or (ii) has been accepted by the Company or deemed to be accepted solely for voting purposes pursuant to the Claims Procedure Order, the Supplemental Claims Procedure Order, the Creditors' Meeting Order or any other Order;

"**Voting Information and Election Form**" has the meaning given to it in the Creditors' Meetings Order; and

"**Website**" means the website of the Monitor, www.ey.com/ca/connacheroilandgas, upon which the various materials arising in connection with the CCAA Proceeding are posted from time to time.

1.2 Article and Section Reference

The terms "**this Plan**", "**hereof**", "**hereunder**", "**herein**", and similar expressions refer to this Plan, and not to any particular article, section, subsection, paragraph or clause of this Plan and include any variations, amendments, modifications or supplements hereto. In this Plan, a reference to an article, section, subsection, clause or paragraph shall, unless otherwise stated, refer to an article, section, subsection, paragraph or clause of this Plan.

1.3 Extended Meanings

In this Plan, where the context so requires, any word importing the singular number shall include the plural and vice versa, and any word or words importing gender shall include all genders.

1.4 Interpretation Not Affected by Headings

The division of this Plan into articles, sections, subsections, paragraphs and clauses and the insertion of a table of contents and headings are for convenience of reference and shall not affect the construction or interpretation of this Plan.

1.5 Inclusive Meaning

As used in this Plan, the words "**include**", "**includes**", "**including**" or similar words of inclusion means, in any case, those words as modified by the words "**without limitation**" and "**including without limitation**"; so that references to included matters shall be regarded as illustrative rather than exhaustive.

1.6 Currency

Unless otherwise stated herein, all references to currency in this Plan are to lawful money of Canada. For the purposes of voting or distribution, a Claim shall be denominated in Canadian Dollars and all cash distributions under this Plan shall be paid in Canadian Dollars. Any Claim in a currency other than Canadian Dollars will be deemed to have been converted to Canadian Dollars at the noon spot rate of exchange quoted by the Bank of Canada for exchanging such currency to Canadian Dollars as at the Filing Date, which rate for greater certainty for the conversion of United States Dollars to Canadian Dollars was US$1 = CDN $1.2885.

1.7 Statutory References

Any reference in this Plan to a statute includes all regulations made thereunder, all amendments to such statute or regulations in force from time to time to the date of this Plan and any statute or regulation that supplements or supersedes such statute or regulation to the date of this Plan.

1.8 Successors and Assigns

The rights, benefits and obligations of any Person named or referenced in this Plan shall be binding on and shall inure to the benefit of any heir, administrator, executor, legal personal representative, successor or assign, as the case may be, or a trustee, receiver, interim receiver, receiver and manager, liquidator or other Person acting on behalf of such Person, as permitted hereunder.

1.9 Governing Law

This Plan shall be governed by and construed and interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein, without regard to any conflict of law provision that would require the application of the law of any other jurisdiction. Any dispute or issue in connection with, or related to the interpretation, application or effect of this Plan and all proceedings taken in connection with this Plan and its revisions shall be subject to the exclusive jurisdiction of the CCAA Court.

1.10 Severability of Plan Provisions

If any provision of this Plan is or becomes illegal, invalid or unenforceable on or following the Effective Date in any jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect the legality, validity or enforceability of the remaining provisions of this Plan, or the legality, validity or enforceability of that provision in any other jurisdiction.

1.11 Timing Generally

Unless otherwise specified, all references to time herein, and in any document issued pursuant hereto, shall mean local time in Calgary, Alberta, Canada and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. (Calgary time) on such Business Day.

1.12 Time of Payments and Other Actions

Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next succeeding Business Day if the last day of the period is not a Business Day. Wherever any payment to be made or action to be taken under this Plan is required to be made or to be taken on a day other than a Business Day, such payment shall be made or action taken on the next succeeding Business Day.

1.13 Schedules

The following are the Schedules to this Plan, which are incorporated by reference into this Plan and form an integral part hereof:

Schedule "A" - Restructuring Transactions

Schedule "B" - Form of Monitor's Certificate

ARTICLE 2
PURPOSE AND EFFECT OF PLAN

2.1 Purpose

The purpose of this Plan is:

(a) to implement the Recapitalization;

(b) to complete a reorganization of the Company's financial obligations; and

(c) to effect a compromise and arrangement of all Affected Claims,

in order to enable the business of the Company to continue as a going concern, in the expectation that a greater benefit will be derived from the continued operation of its business than would result from the forced liquidation of the Company's assets.

2.2 Persons Affected

The Plan provides for a compromise of all Affected Claims and the implementation of the Recapitalization by means of the Restructuring Transactions. This Plan will become effective at the Effective Time and shall be binding upon and enure to the benefit of the Company and all Persons named or referred to in, or subject to, this Plan and their respective heirs, executors, administrators, legal representatives, successors and assigns in accordance with its terms.

2.3 Persons Not Affected

For greater certainty, except as expressly provided in this Plan, the Plan does not affect the Unaffected Creditors with respect to and to the extent of their Unaffected Claims.

ARTICLE 3
CLASSIFICATION OF CREDITORS AND CLAIMS, ESTABLISHMENT OF RESERVES AND OTHER ACTIONS ON EFFECTIVE DATE

3.1 Claims Procedure

The procedure for determining the validity and quantum of the Affected Claims and resolving Disputed Claims for voting and distribution purposes under this Plan shall be governed by the Claims Procedure Order, the Supplemental Claims Procedure Order, the Creditors' Meetings Order, the CCAA and this Plan.

3.2 Classification of Creditors

For the purposes of considering and voting on this Plan and receiving a distribution hereunder, the Affected Creditors are grouped into two Classes: (a) the First Lien Lender Class; and (b) the General Creditor Class.

3.3 Claims Unaffected by the Plan

This Plan does not compromise, release, discharge or otherwise affect the following (collectively, "**Unaffected Claims**"):

(a) Post-Filing Claims, provided that any Post-Filing Claims that were required to be preserved pursuant to the Supplemental Claims Procedure Order have been preserved;

(b) Claims which have been preserved in accordance with the Claims Procedure Order or the Supplemental Claims Procedure Order against Directors that cannot be compromised due to the provisions of Section 5.1(2) of the CCAA;

(c) Claims which have been preserved in accordance with the Claims Procedure Order or the Supplemental Claims Procedure Order that cannot be compromised due to the provisions of Section 19(2) of the CCAA, except any Claims to which Section 10.11 of this Plan applies which shall be Affected Claims for the purposes of this Plan;

(d) an Insured Claim provided that the Person holding the Insured Claim delivers to the Monitor by no later than 5:00 pm (Calgary time) on a date that is two (2) Business Days before the date of the Creditors' Meetings a completed and duly signed Insured Claim Option Notice in which the Person elects to pursue an Insured Claim for its Claim and waives any right to recover such Insured Claim from the Company or under this Plan;

(e) any indebtedness, liability or obligation of the Company of any kind to BEH under or pursuant to the BEH Royalty Agreement;

(f) except as expressly provided in Section 3.8(d) hereof, any indebtedness, liability or obligation of the Company of any kind to ATB under or pursuant to the ATB Credit Facilities; and

(g) any obligation of the Company under the Credit Bid KERP which is not yet due and owing, or has not been satisfied in full, as of the Effective Date.

Persons with Unaffected Claims shall not be entitled to vote at any Creditors' Meeting or receive any distributions under this Plan in respect of the portion of their claim which is an Unaffected Claim. Nothing in this Plan shall affect the Company's or the Directors' rights to defences, both legal and equitable, with respect to any Unaffected Claim including any rights with respect to legal and equitable defences or entitlements to set-offs or recoupments against such Unaffected Claims.

3.4 Establishment of the Administrative Reserve Fund

The Monitor shall hold the amount of $750,000 from the Plan Implementation Fund as an administrative reserve (the "**Administrative Reserve Fund**") in escrow until payment by the Monitor out of the Administrative Reserve Fund of reasonable fees and disbursements (plus any applicable Taxes thereon) for any services rendered by Cassels, other legal counsel and advisors to the Company, the Monitor, legal counsel to the Monitor, or other Persons from time to time retained by the Company or the Monitor and any other reasonable costs and expenses incurred by the Company or the Monitor in connection with the implementation of the Plan, the administration of the Plan Implementation Fund, the resolution of Disputed Claims (but, for greater certainty, not for any payments or distributions in respect thereof), and the wind up of the CCAA Proceeding (collectively, "**Administration Expenses**").

If, subject to the terms of this Plan, the Monitor determines that excess funds exist in the Administrative Reserve Fund after all amounts referred to in the preceding paragraph have been paid or provided for to the satisfaction of the Monitor, then the Monitor shall release and return such funds to the Company.

Any existing Professional Retainers held by Cassels, other legal counsel and advisors to the Company, the Monitor, or legal counsel to the Monitor will continue to be held by such Persons for services rendered on and after the Effective Date and shall not be affected by this Plan; provided that if, on or after the Effective Date, and subject to the terms of this Plan, the Monitor determines that no further services are required of any Person holding a Professional Retainer, the Monitor shall advise such Person in writing on five (5) days prior notice and request a final accounting and return of the remaining Professional Retainer, if any, held by such Person. Such Person shall, as soon as reasonably practicable following receipt of such a written notice, pay to the Company the amount of the Professional Retainer remaining, if any, after deducting its fees, costs and Taxes incurred up to the effective date of such notice and any outstanding invoices owing to such Person by the Company.

3.5 Priority Secured Claims

(a) On or as soon as practicable following the Effective Date, the Monitor, on behalf of the Company, shall pay in full all Priority Secured Claims from the Plan Implementation Fund.

(b) In the event that a Secured Claim that is alleged to be a Priority Secured Claim remains in dispute (with respect to either or both the quantum or its priority secured status) and such dispute is not finally resolved as of the Effective Date pursuant to the Supplemental Claims Procedure Order (an "**Alleged Priority Secured Claim**"), the Monitor shall hold an amount from the Plan Implementation Fund equal to any and all such Alleged Priority Secured Claims (the "**Priority Secured Claims Reserve**") in escrow in accordance with this Section. In the event that such an Alleged Priority Secured Claim is subsequently finally determined to be a Priority Secured Claim (in whole or in part) in accordance with the Supplemental Claims Procedure Order or other Order or by agreement between the Company and the Person holding the Alleged Priority Secured Claim (with the consent of the Consenting First Lien Lenders), the Monitor shall pay the whole or the portion of the Alleged Priority Secured Claim that is determined to be a Priority Secured Claim from the Priority Secured Claims Reserve. In the event that such an Alleged Priority Secured Claim is subsequently finally determined not to be a Priority Secured Claim (in whole or in part) in accordance with the Supplemental Claims Procedure Order or other Order or by agreement between the Company and the Person holding the Alleged Priority Secured Claim, in terms of either or both the quantum or its priority secured status, such portion of the Priority Secured Claims Reserve relating to such Alleged Priority Secured Claim (or the portion thereof) that is determined to not be a Priority Secured Claim shall be released and returned by the Monitor to the Company. As of the Effective Date, any security underlying any Alleged Priority Secured Claim, whether arising pursuant to agreement or statute, registered or unregistered, perfected or unperfected, shall be irrevocably, fully and finally discharged as against the Company and all of the Company's business, assets and undertaking. Upon such discharge, the Priority Secured Claims Reserve shall stand in the place and stead of the security underlying the Alleged Priority Secured Claim, with the same priority as it had just prior to the Effective Date, as if the security had not been discharged.

(c) In accordance with Section 4.1 of this Plan, at least two (2) Business Days prior to the Effective Date, the Monitor shall hold an amount from the Plan Implementation Fund equal to the Outstanding Municipal Tax Claims (the "**Municipal Tax Fund**"), representing the amounts claimed by the Municipality as an Alleged Priority Secured Claim against the Company. The Monitor shall hold the Municipal Tax Fund in a separate trust account which shall not be co-mingled with the Plan Implementation Fund. The Monitor shall be responsible for assessing the quantum, validity and enforceability of the Municipality's Alleged Priority Secured Claim. Upon the Effective Date, the Alleged Priority Secured Claim, and any security underlying such claim, shall be irrevocably, fully and finally discharged as against the Company, and all of the Company's business, assets and undertaking. Upon such discharge, the Municipal Tax Fund shall stand in the place and stead of the Municipality's security, with the same priority as it had just prior to the Effective Date, as if the security had not been discharged. The Monitor shall hold the Municipal Tax Fund and shall make no distribution of any portion of such amounts held without (i) an agreement in writing as between the Municipality, the Company, the Monitor and the Majority Consenting First Lien Lenders, or (ii) an order of the court. In the event there are excess funds in the Municipal Tax Fund after distribution is made by the Monitor as aforesaid, such excess shall be returned to the Company.

3.6 Crown Priority Claims

On or as soon as practicable following the Effective Date, the Monitor shall pay in full, on behalf of the Company, all Crown Priority Claims, if any, that were outstanding at the Filing Date or related to the period ending on the Filing Date, to the Crown, from the Plan Implementation Fund.

3.7 Employee Priority Claims

On or as soon as practicable following the Effective Date, the Monitor shall pay in full, on behalf of the Company, all Employee Priority Claims due and accrued to the Effective Date in the amount agreed to between the Company, the Monitor and the Consenting First Lien Lenders, to each holder of an Employee Priority Claim to the full amount of his, her or its respective Employee Priority Claim, from the Plan Implementation Fund.

3.8 Claims Secured by CCAA Charges

(a) Administration Charge

On the Effective Date, all outstanding obligations, liabilities, fees and disbursements secured by the Administration Charge which are evidenced by invoices as at the Effective Date shall be fully paid by the Monitor, on behalf of the Company, from the Plan Implementation Fund. The fees and disbursements of Cassels and other legal counsel to the Company, the Monitor, legal counsel to the Monitor or other Persons from time to time retained by the Company or the Monitor and any other costs and expenses incurred by the Company or the Monitor in connection with the implementation of this Plan, the resolution of Disputed Claims, and the termination of the CCAA Proceeding following the Effective Date shall continue to be secured by the assets of the Administrative Reserve Fund only, and the Administration Charge shall be and be deemed to be fully and finally satisfied and discharged from and against any and all other assets of the Company and the Plan Implementation Fund.

(b) Directors' Charge

On the Effective Date, all D&O Claims, D&O Restructuring Period Claims and Post-Filing D&O Claims shall be fully, finally and irrevocably compromised, released, discharged, cancelled, extinguished and barred in accordance with Article 10 hereof and the Directors' Charge shall be and be deemed to be fully and finally satisfied and discharged from and against any and all assets of the Company and the Plan Implementation Fund.

In the event that any D&O Claims, D&O Restructuring Period Claims or Post-Filing D&O Claims which would be secured by the Directors' Charge remain outstanding and have not been fully paid prior to the Effective Date (an "**Alleged Directors' Charge Claim**"), the Monitor shall hold an amount from the Plan Implementation Fund equal to any and all such Alleged Directors' Charge Claims up to the aggregate amount of the Directors' Charge (the "**Directors' Charge Claims Reserve**") in escrow in accordance with this Section. In the event that such an Alleged Directors' Charge Claim is subsequently finally determined to be owing pursuant to the Supplemental Claims Procedure Order or other Order or by agreement between the Company and the Person holding the Alleged Directors' Charge Claim (with the consent of the Consenting First Lien Lenders), the Monitor shall pay in full such claim from the Directors' Charge Claims Reserve. In the event that such an Alleged Directors' Charge Claim is determined not to be owing pursuant to the Supplemental Claims Procedure Order or other Order or by agreement between the Company and the Person holding the Alleged Directors' Charge Claim, such portion of the Directors' Charge Claims Reserve shall be released and returned by the Monitor to the Company as long as the amount that will thereafter exist in the Directors' Charge Claims Reserve is sufficient to satisfy all remaining Alleged Directors' Charge Claims whether or not such Alleged Directors' Charge Claims were previously accounted for in the Directors' Charge Claims Reserve.

(c) KERP/LTIP Charge, KEIP Charge and Financial Advisor Charge

On the Effective Date, any remaining outstanding obligations of the Company secured by any of the KERP/LTIP Charge, the KEIP Charge or the Financial Advisor Charge which are due and owing as of the Effective Date shall be fully paid by the Monitor on behalf of the Company, from the Plan Implementation Fund to the applicable beneficiaries of such CCAA Charges and each of the KERP/LTIP Charge, the KEIP Charge and the Financial Advisor Charge shall be and be deemed to be fully and finally satisfied and discharged from and against any and all assets of the Company and the Plan Implementation Fund.

In the event that the Company disputes any Person's entitlement under the LTIP, the LTIP 2017, the KERP, the Supplemental KERP, the Second Supplemental KERP, the KEIP or the Credit Bid KERP which are due and owing as of the Effective Date and which remain outstanding and have not been paid on or prior to the Effective Date (an "**Alleged Retention Plan Claim**"), the Monitor shall hold an amount from the Plan Implementation

Fund equal to any and all such Alleged Retention Plan Claims (the "**Retention Plan Claims Reserve**") in escrow in accordance with this Section. In the event that such an Alleged Retention Plan Claim is subsequently finally determined to be owing pursuant to the Supplemental Claims Procedure Order or other Order or by agreement between the Company and the Person holding the Alleged Retention Plan Claim (with the consent of the Consenting First Lien Lenders), the Monitor shall pay in full such claim from the Retention Plan Claims Reserve. In the event that such an Alleged Retention Plan Claim is determined to not be owing pursuant to the Supplemental Claims Procedure Order or other Order or by agreement between the Company and the Person holding the Alleged Retention Plan Claim, such portion of the Retention Plan Claims Reserve shall be released and returned by the Monitor to the Company.

(d) ATB Charge

Effective upon the Effective Date, the ATB Charge shall be and be deemed to be fully and finally satisfied and discharged from and against any and all assets of the Company and the Plan Implementation Fund, provided that nothing herein shall discharge or compromise any other security (other than the ATB Charge) granted by the Company to ATB pursuant to the ATB Credit Facilities which shall be unaffected by this Plan in accordance with Section 3.3(f) of this Plan.

ARTICLE 4
ESTABLISHMENT OF THE PLAN IMPLEMENTATION FUND

4.1 Plan Implementation Fund

On or prior to the Effective Date, the Company shall deliver to the Monitor from the Company's Cash on Hand the aggregate amount necessary, as determined by the Monitor and the Company, with the consent of the Majority Consenting First Lien Lenders (each acting in good faith), to fully pay or satisfy:

(a) the amount required to satisfy the CCAA Charges as of the Effective Date in accordance with Section 3.8 of this Plan;

(b) the amount, if any, required to be held in the Directors' Charge Claims Reserve in accordance with Section 3.8(b) of this Plan in respect of Alleged Directors' Charge Claims;

(c) the amount required to satisfy the payment in full of any remaining obligations secured by any of the KERP/LTIP Charge, the KEIP Charge or the Financial Advisor Charge as of the Effective Date in accordance with Section 3.8(c) of this Plan;

(d) the amount, if any, required to be held in the Retention Plan Claims Reserve in accordance with Section 3.8(c) of this Plan in respect of Alleged Retention Plan Claims;

(e) the amount required to be held in the Administrative Reserve Fund in accordance with Section 3.4 of this Plan on the Effective Date;

(f) the amount required to satisfy the payment in full of the Priority Secured Claims as of the Effective Date in accordance with Section 3.5 of this Plan;

(g) the amount, if any, required to be held in the Priority Secured Claims Reserve in accordance with Section 3.5 of this Plan in respect of Alleged Priority Secured Claims;

(h) the amount required to satisfy the payment in full of the Crown Priority Claims in accordance with Section 3.6 of this Plan;

(i) the amount required to satisfy the payment in full of the Employee Priority Claims in accordance with Section 3.7 of this Plan;

(j) the amount required to establish the General Creditor Pool; and

(k) the amount required to establish the Municipal Tax Fund.

ARTICLE 5
VOTING AND TREATMENT OF CREDITORS

5.1 Voting by the First Lien Lender Class

Beneficial First Lien Lenders as of the First Lien Record Date or their proxyholders will be entitled to vote in respect of such First Lien Lender's Pro Rata Share of the First Lien Claim. The solicitation of such votes and the procedures for voting by Beneficial First Lien Lenders shall be conducted in accordance with the Creditors' Meeting Order.

5.2 Treatment of the First Lien Lender Claims

(a) On the Effective Date, in accordance with this Plan and in accordance with the steps and in the sequence set forth in the Restructuring Transactions, each Beneficial First Lien Lender shall be entitled to the following:

(i) each Tranche A Lender shall receive in respect of the principal amount (but not accrued interest) of its Tranche A Loans its *pro rata* share of the obligations under the New Senior Secured Term Facility based on the outstanding principal amount of Tranche A Loans owing to such Tranche A Lender in relation to the outstanding aggregate principal amount of the Tranche A Loans owing to all Tranche A Lenders as of the Effective Date; and

(ii) each Tranche A Lender and Tranche B Lender, or their designates, shall be issued and, subject to Section 7.1, entitled to receive in respect of, in the case of a Tranche A Lender, the accrued interest on its Tranche A Loans, and, in the case of a Tranche B Lender, the principal and accrued interest of its Tranche B Loans, its *pro rata* share of the New Shares issued pursuant to this Plan, based on the outstanding accrued interest of Tranche A Loans and the outstanding principal and interest of Tranche B Loans owing to a First Lien Lender in relation to the outstanding aggregate amount of interest of Tranche A Loans and principal and interest of Tranche B Loans owing to all First Lien Lenders as of the Effective Date.

(b) On the Effective Date, each Beneficial First Lien Lender shall be deemed to become a party to and thereafter bound by the Shareholders Agreement, each in its capacity as a holder of the New Shares. The Shareholders Agreement is deemed to be a "unanimous shareholder agreement" for purposes of the CBCA, and each Beneficial First Lien Lender is deemed to have been given notice thereof.

(c) The entire amount of the First Lien Deficiency Claim shall be deemed to be an unsecured deficiency claim and shall constitute a General Creditor Claim for the purposes of this Plan.

5.3 Treatment of Second Lien Claims

The entire amount of the Second Lien Claim shall be deemed to be an unsecured deficiency claim (being the Second Lien Deficiency Claim) and shall constitute a General Creditor Claim for the purposes of this Plan.

5.4 Voting by Creditors in the General Creditor Class

Pursuant to and in accordance with the Creditors' Meeting Order, each of the following Creditors shall be entitled to vote on this Plan at the Creditors' Meeting for the General Creditor Class as follows:

(a) Beneficial First Lien Lenders as of the First Lien Record Date or their proxyholders will be entitled to vote in respect of such First Lien Lender's Pro Rata Share of the First Lien Deficiency Claim. The solicitation of such votes and the procedures for voting by Beneficial First Lien Lenders shall be conducted in accordance with the Creditors' Meeting Order;

(b) Beneficial Noteholders as of the Second Lien Notes Record Date or their proxyholders will be entitled to vote in respect of such Second Lien Noteholders' Pro Rata Share of the Second Lien Deficiency Claim. The solicitation of such votes and the procedures for voting by Beneficial Noteholders shall be conducted in accordance with the Creditors' Meeting Order;

(c) Convenience Class Creditors shall each be deemed to vote in favour of the Plan in the amount of such Creditor's Accepted Claim;

(d) General Creditors (other than First Lien Lenders in respect of First Lien Deficiency Claims, Second Lien Noteholders in respect of Second Lien Deficiency Claims and Convenience Class Creditors) with Voting Claims shall be entitled to one (1) vote in the amount equal to such Creditor's Voting Claim.

5.5 Treatment of General Creditor Claims

(a) General Creditors with Accepted Claims (including First Lien Lenders in respect of First Lien Deficiency Claims and Second Lien Noteholders in respect of Second Lien Deficiency Claims) on the Initial Distribution Record Date equal to or less than $2,000 shall be deemed to have made a Distribution Election and to have elected to and shall receive the Distribution Election Amount in respect of their Accepted Claim in accordance with the Plan;

(b) General Creditors with Accepted Claims greater than $2,000 (including First Lien Lenders in respect of First Lien Deficiency Claims and Second Lien Noteholders in respect of Second Lien Deficiency Claims) shall receive:

(i) the Distribution Election Amount in respect of their Accepted Claim in accordance with the Plan if a Distribution Election is made prior to the Distribution Election Deadline; or

(ii) its Pro Rata Share of the General Creditor Pool (after deducting all Distribution Election Amounts payable under this Plan) if a Distribution Election is not made prior to the Distribution Election Deadline;

(c) Notwithstanding the foregoing, a Beneficial Noteholder in respect of a Second Lien Deficiency Claim shall only be deemed to have made a Distribution Election or shall only be entitled to make a Distribution Election if such Beneficial Noteholder delivers a Voting Information and Election Form in accordance with the Creditors' Meetings Order.

5.6 Voting – Transferred Claims

Any General Creditor may transfer the whole of its Claim prior to the Creditors' Meeting of the General Creditors in accordance with the Claims Procedure Order and the

Creditors' Meeting Order, as applicable, provided that the Monitor shall not be obligated to deal with the transferee of such Claim as a General Creditor in respect thereof, including allowing such transferee to vote at the Creditors' Meeting for General Creditors, unless a Proof of Assignment has been received by the Monitor prior to 5:00 p.m. (Calgary time) on the day that is at least ten (10) Business Days prior to the date of the Creditors' Meeting for General Creditors and such transfer has been acknowledged in writing by the Monitor. Thereafter such transferee shall, for all purposes in accordance with the Claims Procedure Order, Supplemental Claims Procedure Order, the Creditors' Meetings Order, the CCAA and this Plan, constitute a General Creditor and shall be bound by any notices given or steps taken in respect of such Claim in accordance with the Creditors' Meetings Order and any further Orders.

If a General Creditor transfers the whole of its Claim to more than one Person or part of such Claim to another Person after the Filing Date, such transfer shall not create a separate Voting Claim and such Claim shall continue to constitute and be dealt with for the purposes hereof as a single Voting Claim. Notwithstanding such transfer, the Monitor shall not be bound to recognize or acknowledge any such transfer and shall be entitled to give notices to and otherwise deal with such Claim only as a whole and only to and with the Person last holding such Claim in whole as the General Creditor in respect of such Claim, provided such General Creditor may, by notice in writing to the Monitor in accordance with and subject to the Creditors' Meetings Order and given prior to 5:00 p.m. (Calgary time) on the day that is at least ten (10) Business Days prior to the date of the Creditors' Meeting for General Creditors, direct the subsequent dealings in respect of such Claim, but only as a whole, shall be with a specified Person and in such event, such transferee of the Claim and the whole of such Claim shall be bound by any notices given or steps taken in respect of such Claim in accordance with the Creditors' Meetings Order and any further Orders.

5.7 Voting – All Classes

Except as otherwise set out in this Plan or in the Creditors' Meetings Order, each Creditor holding a Voting Claim or its designated proxyholder shall be entitled to attend the Creditors' Meeting for its Class. The Monitor shall keep a separate record of votes cast by Creditors holding Disputed Claims and shall report to the CCAA Court with respect thereto at the CCAA Court hearing seeking the Sanction Order. The votes cast in respect of any Disputed Claims shall not be counted for any purpose unless, until and only to the extent that such Disputed Claim is finally determined to be an Accepted Claim. The Company and the Monitor shall have the right to seek the assistance of the CCAA Court in valuing any Disputed Claim in accordance with the Claims Procedure Order, the Supplemental Claims Procedure Order, the Creditors' Meetings Order, the CCAA and this Plan, if required, to ascertain the result of any vote on this Plan.

5.8 Existing Shareholders and Holders of Equity Claims

Existing Shareholders and holders of Equity Claims shall not be entitled to attend or vote in respect of their Equity Claims at any Creditors' Meetings and shall not receive any distribution under this Plan on account of their Existing Shares or Equity Claims. All Equity Claims and D&O Indemnity Claims that are based on Equity Claims shall be fully, finally and irrevocably and forever compromised, released, discharged, cancelled, extinguished and barred on the Effective Date.

5.9 Other Non-Voting Persons

Persons with claims secured by the CCAA Charges, Alleged Directors' Charge Claims, claims or entitlements to the Administrative Reserve Fund, Alleged Retention Plan Claims, Secured Claims, Alleged Priority Secured Claims, Priority Secured Claims, Municipal Tax Claims, Municipal Tax Fund, Crown Priority Claims, Employee Priority Claims or Post-Filing Claims shall not be entitled to vote at any Creditors' Meeting in respect of the portion of their claim which is a claim secured by the CCAA Charges, an Alleged Directors' Charge Claim, a claim or entitlement to the Administrative Reserve Fund, an Alleged Retention Plan Claim, a Secured Claim, an Alleged Priority Secured Claim, a Priority Secured Claim, a Municipal Tax Claim, a Municipal Tax Fund, a Crown Priority Claim, an Employee Priority Claim or a Post-Filing Claim.

ARTICLE 6
IMPLEMENTATION OF THE RESTRUCTURING TRANSACTIONS

6.1 Restructuring Transactions

The Company, the Consenting First Lien Lenders, the Monitor and, subject to receiving written direction from the Consenting First Lien Lenders, the First Lien Agent, each as applicable, will take the steps set forth in Schedule "A" hereto (collectively, the "**Restructuring Transactions**"), which shall be consummated and become effective in the order set out therein, and will take any actions as may be necessary to effect a restructuring of the Company's business or overall organizational structure to reflect and implement the Recapitalization, the Restructuring Transactions and the provisions of this Plan.

The adoption, execution, delivery, implementation and consummation of all matters contemplated under this Plan involving corporate action of the Company will occur and be effective by the Effective Time, and will be authorized and approved under this Plan and by the CCAA Court, where appropriate, as part of the Sanction Order, in all respects and for all purposes without any requirement of further action by shareholders, Directors or Officers of the Company. All necessary approvals to take actions shall be deemed to have been obtained from the directors or shareholders of the Company, as applicable, including the deemed passing by any class of shareholders of any resolution or special resolution and no shareholders' agreement or agreement between a shareholder and another Person limiting in any way the right to vote shares held by such shareholder or shareholders with respect to any of the steps contemplated by this Plan shall be deemed to be effective and any such agreement shall have no force and effect.

6.2 Effectuating Documents

Any current Officer shall be authorized to execute, deliver, file, or record such contracts, instruments, releases, indentures and other agreements or documents, and take such other actions, as may be necessary or appropriate, on behalf of the Company, to effectuate and further evidence the terms and conditions of this Plan.

ARTICLE 7
PROVISIONS GOVERNING DISTRIBUTIONS

7.1 Distribution to First Lien Lender Class

(a) Delivery of the New Shares issued and distributed under this Plan will be made by delivering share certificates representing the New Shares in the name of the applicable recipient.

(b) On the Effective Date, the Company shall issue New Shares in accordance with Section 5.2 (or reserve New Shares for issuance, as applicable, in accordance with Section 7.1(c)).

(c) Notwithstanding Section 7.1(b), no Beneficial First Lien Lender shall be entitled to the rights associated with the New Shares and all such New Shares shall be reserved for issuance on the books and records of the Company until such time as it has delivered its New Shareholder Information to the Company. In the event that a Beneficial First Lien Lender fails to deliver its New Shareholder Information in accordance with this Section 7.1(c) on or before the date that is six (6) months following the Effective Date, the Company shall have no further obligation to issue or deliver, and shall have no further obligation to reserve on its books and records, any New Shares otherwise issuable to Beneficial First Lien Lenders (such shares, the "**Unissued New Shares**") that have not delivered their New Shareholder Information accordance this Section 7.1(c) and all such Beneficial First Lien Lenders shall cease to have a claim to, or interest of any kind or nature against or in, the Company or the Unissued New Shares.

(d) No fractional shares of the Company shall be allocated or issued under this Plan. Any legal, equitable, contractual and any other rights or claims (whether actual or contingent, and whether or not previously asserted) of any Person with respect to fractional shares of the Company issued pursuant to this Plan shall be rounded down to the nearest whole number without compensation therefor.

(e) All New Shares issued under this Plan shall be deemed to have been issued as fully paid and non-assessable shares of the Company, free and clear of any Liens except as provided in the Company's articles and in the Shareholders Agreement.

(f) The stated capital accounts for the Existing Shares and the New Shares and any adjustments thereto resulting from the transactions contemplated by this Plan shall be as determined by the New Board in accordance with the CBCA.

7.2 Distributions to the General Creditor Class

(a) General Creditors with Accepted Claims (including First Lien Lenders in respect of First Lien Deficiency Claims and Second Lien Noteholders in respect of Second Lien Deficiency Claims) shall receive distributions from the General Creditor Pool in accordance with Section 5.5 of this Plan.

(b) Distributions to be made under this Plan on account of First Lien Deficiency Claims shall be made by the Monitor to the First Lien Agent. Distributions to be made under this Plan on account of Second Lien Deficiency Claims shall be made by the Monitor to the Second Lien Trustee.

(c) Other than as specifically provided in Section 7.2(b), all distributions to be made under this Plan to a Creditor shall be made by the Monitor on behalf of the Company by cheque and will be sent, via regular mail, to such Creditor to the address specified in the Proof of Claim filed by such Creditor or such other address as the Creditor may from time to time notify the Monitor in writing in accordance with Section 11.12 of this Plan.

(d) The Monitor may, but shall not be obligated to, make any distribution to the General Creditors before all Disputed Claims have been finally resolved for distribution purposes in accordance with the Claims Procedure Order, the Supplemental Claims Procedure Order or further Order.

(e) Notwithstanding anything else in this Plan, the aggregate of the distributions provided for in Section 5.5 and this Section 7.2 shall not exceed the amount of funds in the General Creditor Pool.

7.3 Disputed Claims

An Affected Creditor holding a Disputed Claim shall not be entitled to receive a distribution under the Plan in respect of any portion thereof unless and until such Disputed Claim becomes an Accepted Claim.

7.4 Interest on Affected Claims

Except in respect of First Lien Claims and Second Lien Claims, no interest or penalties shall accrue or be paid on an Affected Claim from and after or in respect of the period following the Filing Date and, except in the case of holders of First Lien Claims or Second Lien Claims, no holder of an Affected Claim will be entitled to any interest in respect of such Affected Claim accruing on or after or in respect of the period following the Filing Date. At the Effective Time, all interest accruing on any Affected Claim after or in respect of the period following the Filing Date shall be forever extinguished and released under this Plan as against the Company.

7.5 Distributions in respect of Transferred Claims

The Company and the Monitor shall not be obligated to deliver any distributions under this Plan to any transferee of an Affected Claim unless a Proof of Assignment has been delivered to the Monitor no later than the Initial Distribution Record Date.

7.6 Undeliverable and Unclaimed Distributions

In addition to the provisions of Section 7.1(c) of this Plan regarding the distribution of New Shares:

(a) If any Creditor entitled to a distribution pursuant to this Plan cannot be located by the Monitor on the applicable Distribution Date, or if any delivery or distribution to be made pursuant to Article 7 of this Plan is returned as undeliverable, such cash shall be set aside by the Monitor and deposited in a segregated, interest-bearing account to be maintained by the Monitor.

(b) If such Creditor is located by the Monitor within six (6) months after the applicable Distribution Date, such cash shall be distributed to such Creditor.

(c) If such Creditor cannot be located by the Monitor or if any delivery or distribution to be made pursuant to Article 7 of this Plan is returned as undeliverable, or in the case of any distribution made by cheque, the cheque remains uncashed, for a period of more than six (6) months after the applicable Distribution Date or the date of delivery or mailing of the cheque, whichever is later, the Claim of any Creditor with respect to such undelivered or unclaimed distribution shall be discharged and forever barred, notwithstanding any Applicable Law to the contrary, and any such cash allocable to the undeliverable or unclaimed distribution shall be released and returned by the Monitor to the Company, free and clear of any claims of such Creditor or any other Creditors and their respective successors and assigns. Nothing contained in this Plan shall require the Company or the Monitor to attempt to locate any holder of any undeliverable or unclaimed distributions.

7.7 Tax Matters

(a) All distributions to a Creditor or Person on behalf of a Creditor shall be made first with respect to the principal amount of the Claim owing to such

Creditor and only after all such principal has been paid shall the distribution be made with respect to the interest owing on such Claim.

(b) Notwithstanding any other provision in this Plan, each Creditor that is to receive a distribution or payment pursuant to this Plan shall have sole and exclusive responsibility for the satisfaction and payment of any Tax obligations imposed by any Authorized Authority on account of such distribution.

(c) All distributions hereunder shall be subject to any withholding and reporting requirements imposed by any Applicable Law or any Taxing Authority and the Company shall direct the Monitor, on behalf of the Company, to deduct, withhold and remit from any distributions hereunder payable to a Creditor or to any Person on behalf of any Creditor, such amounts, if any, as the Company determines that it or the Monitor, on behalf of the Company, is required to deduct and withhold with respect to such payment under the ITA or under Applicable Law. To the extent that amounts are so deducted and withheld, such withheld amounts shall be treated for all purposes as having been paid to the Creditor in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate Taxing Authority.

ARTICLE 8
CONDITIONS OF PLAN IMPLEMENTATION

8.1 Sanction Order

If this Plan is approved by the Required Majorities, the Company shall bring an application before the CCAA Court for the Sanction Order, which Sanction Order shall provide (unless otherwise agreed to by the Company, the Monitor, the Consenting First Lien Lenders and the First Lien Agent), among other things, that:

(a) (i) this Plan has been approved by the Required Majorities in conformity with the CCAA; (ii) the Company acted in good faith and complied with the provisions of the CCAA and the Orders made in the CCAA Proceeding in all respects; (iii) the CCAA Court is satisfied that the Company has not done or purported to do anything that is not authorized by the CCAA; and (iv) this Plan and the transactions contemplated hereby (including the Recapitalization and the Restructuring Transactions) are fair and reasonable;

(b) this Plan (including the compromises, arrangements, releases and the transactions contemplated herein, including the Recapitalization and the Restructuring Transactions) shall be sanctioned and approved pursuant to Section 6 of the CCAA and will be binding and effective as herein set out on the Company, all Creditors and all other Persons as provided for in this

Plan or the Sanction Order and, at the Effective Time, will be effective and enure to the benefit of the Company, the Creditors and all other Persons as provided in this Plan or the Sanction Order;

(c) authorizing and approving the steps to be taken under this Plan, including the Restructuring Transactions, on the date they are deemed to occur and be effected by this Plan, and in the sequential order contemplated by Schedule "A" to this Plan on the Effective Date;

(d) subject to the performance by the Company of its obligations under this Plan, and except to the extent expressly contemplated by this Plan or the Sanction Order, all Continuing Contracts that have not expired or been terminated prior to the Effective Date pursuant to their terms or by agreement will be and shall remain in full force and effect as at the Effective Date, unamended except as they may have been amended by agreement of the parties thereto subsequent to the Filing Date, and no Person who is a party to any such agreement shall, following the Effective Date, accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set-off, option, dilution or other remedy) or make any demand under or in respect of any such agreement, by reason of:

(i) any defaults or events of default arising as a result of the insolvency of the Company prior to the Effective Date;

(ii) any change of control of the Company arising from implementation of this Plan;

(iii) the fact that the Company has sought or obtained relief under the CCAA or that this Plan has been implemented by the Company;

(iv) the effect on the Company of the completion of any of the transactions contemplated by this Plan;

(v) any compromises or arrangements effected pursuant to this Plan; or

(vi) any other event(s) which occurred on or prior to the Effective Date which would have entitled any Person thereto to enforce those rights and remedies, subject to any express provisions to the contrary in any agreements entered into with the Company after the Filing Date.

(e) all Accepted Claims and Disallowed Claims determined in accordance with the Claims Procedure Order or the Supplemental Claims Procedure Order are final and binding on the Company and all Creditors;

(f) upon the Effective Date, all Alleged Priority Secured Claims and any security underlying such Alleged Priority Secured Claims shall be irrevocably, fully and finally discharged as against the Company and all of the Company's business assets and undertaking and the Priority Secured Claims Reserve shall stand in the place and stead of such security, with the same priority as it had just prior to the Effective Date;

(g) no meetings or votes of the Existing Shareholders or Persons holding Equity Claims are required in connection with this Plan (including the Restructuring Transactions);

(h) the commencement or prosecution, whether directly, indirectly, derivatively or otherwise, of any demands, claims, actions, counterclaims, suits, judgments, or other remedies or recoveries with respect to any Claim released, discharged or terminated pursuant to this Plan shall be permanently enjoined;

(i) the releases effected by this Plan are approved, and declared to be binding and effective as of the Effective Date upon all Creditors, the Company, the Monitor and all other Persons affected by this Plan and shall enure to the benefit of all such Persons;

(j) any Claims which have been preserved in accordance with the Claims Procedure Order or the Supplemental Claims Procedure Order against Directors that cannot be compromised due to the provisions of Section 5.1(2) of the CCAA will be limited in recovery to the proceeds of any Directors insurance policies;

(k) except for the Administration Charge which shall continue against the Administrative Reserve Fund subject to further Order, all CCAA Charges established by the Initial Order or any other Order, shall be terminated, released and discharged effective on the Effective Date;

(l) upon receipt from the Company, the Monitor shall hold and distribute the Plan Implementation Fund in accordance with this Plan;

(m) the articles of the Company will be amended as set out in Schedule "A";

(n) each Beneficial First Lien Lender shall be deemed to be a party to the Shareholders Agreement on the Effective Date, each in its capacity as a holder of the New Shares;

(o) any written or oral agreement, option or warrant, or any right or privilege capable of becoming such, for the purchase, subscription, allotment or issuance of any shares or other form of equity interest (or any securities or investments convertible, exercisable or exchangeable for any shares or other form of equity interest) in the Company, and any agreements or instruments entitling any holder thereof to any participation in the Company, are of no further force or effect as at the Effective Date and all certificates evidencing Existing Shares are cancelled, null and void;

(p) any claims for which a Proof of Claim has not been filed by the dates required by the Claims Procedure Order or the Supplemental Claims Procedure Order shall be forever barred and extinguished in accordance with the Claims Procedure Order or the Supplemental Claims Procedure Order, as applicable;

(q) all Liens of Affected Creditors, including all security registrations in favour of any Affected Creditor, are discharged and extinguished, and the Company or its counsel shall be authorized and permitted to file discharges and full terminations of all Lien filings (whether pursuant to personal property security legislation or otherwise) against the Company in favour of the First Lien Agent, the Second Lien Trustee, the Collateral Trustee or any other Affected Creditor in any jurisdiction without any further action or consent required whatsoever; and

(r) the Monitor is authorized to perform its obligations under this Plan on and after the Effective Date, including authorization to instruct and obtain assistance from its legal counsel and/or Cassels as necessary to do so and as further provided herein.

8.2 Conditions of Plan Implementation

The implementation of this Plan shall be conditional upon the fulfillment or waiver, where applicable, of the following conditions on or before the Effective Date or the date specified therefor:

(a) the Company, the Consenting First Lien Lenders and the First Lien Agent shall have complied with all provisions of the Support Agreement;

(b) all conditions of the Support Agreement (including, for certainty, as set out the Plan Term Sheet) shall have been satisfied or waived in accordance with its terms;

(c) this Plan shall have been approved by the Required Majorities;

(d) the Sanction Order shall have been granted by the CCAA Court in a form acceptable to the Company, the Monitor, the Consenting First Lien Lenders and the First Lien Agent, each acting reasonably, and shall be in full force and effect and not reversed, stayed, varied, modified or amended;

(e) all applicable appeal periods in respect of the Sanction Order shall have expired and in the event of an appeal or application for leave to appeal, final determination shall have been made by the applicable appellate court;

(f) the Monitor shall have received the Plan Implementation Fund from the Company;

(g) the AER shall have provided an advance ruling confirming that the AER does not consider the change to control persons (within the meaning of Directive 067) resulting from the implementation of the Plan to be an unreasonable risk;

(h) no injunction or other order shall have been issued to enjoin, restrict or prohibit any of the transactions contemplated by this Plan and the Support Agreement, and no proceedings therefor shall have been commenced before any court or governmental or regulatory authority;

(i) the credit agreement documenting the New Senior Secured Term Facility (the "**New Senior Secured Term Facility Agreement**"), the MIP, the Executive Employment Agreements, and the Shareholders Agreement and all related agreements and other documents contemplated by the Recapitalization and the implementation of this Plan, shall be in form and substance acceptable to the Company and the Consenting First Lien Lenders, each acting reasonably, and shall have become effective, subject only to the implementation of the Plan;

(j) the Company shall not be a reporting issuer (or equivalent) in any province or territory of Canada or any other jurisdiction upon implementation of the Plan;

(k) the articles of reorganization to be filed under the CBCA in respect of the Restructuring Transactions and, in particular, the creation of the New Shares, shall be in form acceptable to the Consenting First Lien Lenders;

(l) the aggregate number of New Shares to be issued pursuant to this Plan shall be acceptable to the to the Consenting First Lien Lenders;

(m) the composition of the New Board shall be as determined in accordance with the Support Agreement;

(n) all necessary corporate action and proceedings of the Company shall have been taken to approve this Plan and to enable the Company to execute, deliver and perform its obligations under the agreements, documents and other instruments to be executed and delivered by it pursuant to this Plan; and

(o) all agreements, resolutions, documents and other instruments, which are reasonably necessary to be executed and delivered by the Company, in order to implement this Plan or perform the Company's obligations under this Plan or the Sanction Order, shall have been executed and delivered.

Each of the conditions set out in this Section 8.2 may be waived in whole or in part by the Company with the prior written consent of the Consenting First Lien Lenders by written notice to the Monitor. If the conditions in this Section 8.2 have not been satisfied or waived in accordance with this Section 8.2 by the Outside Date (or such later date as the Company, the Consenting First Lien Lenders, the First Lien Agent and the Monitor agree), this Plan shall automatically terminate, in which case the Company shall not be under any further obligation to implement this Plan.

8.3 Monitor's Certificate

Upon satisfaction or waiver of the conditions set out in Section 8.2, the Company and the Consenting First Lien Lenders, shall give written notice to the Monitor that the conditions set out in Section 8.2 have been satisfied or waived, and the Monitor shall, as soon as possible following receipt of such written notice, deliver to the Company and the Consenting First Lien Lenders, a certificate which states that all conditions precedent set out in Section 8.2 have been satisfied or waived, in substantially the form as the certificate attached as Schedule "B" to this Plan (the "**Monitor's Certificate**"), and shall specify therein the date of the delivery thereof. On or forthwith following the Effective Date, the Monitor shall file the Monitor's Certificate with the CCAA Court and shall post a copy of the same on the Website.

ARTICLE 9
AMENDMENTS TO THE PLAN

9.1 Amendments to Plan Prior to Approval

The Company reserves the right to vary, modify, amend or supplement this Plan by way of a supplementary or amended and restated plan or plans of compromise or arrangement or both filed with the CCAA Court at any time or from time to time prior to the commencement of the Creditors' Meetings, provided that the Company obtains the prior consent of the Consenting First Lien Lenders and the Monitor to any such variation, modification, amendment or supplement, which consent shall not be unreasonably withheld. Any such supplementary or amended and restated plan or plans of compromise or arrangement or both shall, for all purposes, be deemed to be a part of and incorporated into this Plan. Any such variation, modification, amendment or supplement shall be posted on the Website and e-mail notice will be provided to the CCAA Proceeding service list. Creditors are advised to check the Website regularly. Creditors who wish to receive written notice of any variation, modification, amendment or supplement to the Plan should contact the Monitor in the manner set out in Section 11.12 of this Plan. Creditors in attendance at the Creditors' Meetings will also be advised of any such variation, modification, amendment or supplement to the Plan.

In addition, the Company may propose a variation or modification of, or amendment or supplement to, this Plan during the Creditors' Meetings, provided that the Company obtains the prior consent of the Consenting First Lien Lenders and the Monitor to any such variation, modification, amendment or supplement, which consent shall not be unreasonably withheld, and that notice of such variation, modification, amendment or supplement is given to all Creditors entitled to vote present in person or by proxy at the applicable Creditors' Meeting prior to the vote being taken at such Creditors' Meeting, in which case any such variation, modification, amendment or supplement shall, for all purposes, be deemed to be part of and incorporated into this Plan. Any variation, amendment, modification or supplement at a Creditors' Meeting will be promptly posted on the Website, served by e-mail to the service list in the CCAA Proceeding and filed with the CCAA Court as soon as practicable following the applicable Creditors' Meeting.

9.2 Amendments to Plan Following Approval

After one or more of the Creditors' Meetings (and both prior to and subsequent to obtaining the Sanction Order), the Company may at any time and from time to time vary, amend, modify or supplement this Plan without the need for obtaining an Order or providing notice to the Creditors, if the Company and the Monitor, acting reasonably and in good faith, determine that such variation, amendment, modification or supplement would not be materially prejudicial to the interests of any of the Creditors under this Plan or is necessary in order to give effect to the substance of this Plan or the Sanction Order.

ARTICLE 10
EFFECT OF THE PLAN

10.1 Implementation

At the Effective Time, subject to the satisfaction or waiver of the conditions contained in Section 8.2 of this Plan, this Plan shall be implemented by the Company and shall be binding upon all Persons in accordance with the terms of this Plan and the Sanction Order.

10.2 Effect of the Plan Generally

At the Effective Time, the payment, compromise or satisfaction of any Affected Claims under this Plan shall be binding upon all Persons, his, her or its heirs, executors, administrators, legal or personal representatives, successors and assigns, as the case may be, for all purposes and this Plan will constitute: (a) full, final and absolute settlement of all rights of any Persons against the Company and the Directors and Officers in respect of the Affected Claims and Equity Claims; (b) an absolute release and discharge of all indebtedness, liabilities and obligations of or in respect of the Affected Claims and Equity Claims against the Company and the Directors and Officers and all Liens granted by the Company in respect thereof, including any interest, costs, fees or penalties accruing thereon whether before or after the Filing Date; and (c) a reorganization of the capital of the Company, as provided in Schedule "A" hereto.

10.3 Compromise Effective for All Purposes

No Person who has a Claim as a guarantor, surety, indemnitor or similar covenant in respect of any Claim which is compromised under this Plan or who has any right to claim over in respect of or to be subrogated to the rights of any Person in respect of a Claim which is compromised or released under this Plan shall be entitled to any greater rights than the Creditor or Existing Shareholder whose Claim was compromised under this Plan. Accordingly, the payment, compromise or other satisfaction of any Claim under this Plan, if sanctioned and approved by the CCAA Court, shall be binding upon such Creditor or Existing Shareholder, his, her or its heirs, executors, administrators, successors and assigns for all purposes and, to such extent, shall also be effective to relieve any third party directly or indirectly liable for such indebtedness, whether as guarantor, surety, indemnitor, director, joint covenantor, principal or otherwise.

10.4 Release of Company and Other Released Parties

At the Effective Time, for good and valuable consideration, including the distributions to be made pursuant to the Plan, every Creditor, Affected Creditor or other Person, on the Creditor's, Affected Creditor's or other Person's own behalf and on behalf of the Creditor's, Affected Creditor's or other Person's respective affiliates, present and former officers, directors, employees, associated individuals, auditors, beneficiaries, financial advisors, legal counsel, other professionals, sureties, insurers, indemnitors, agents, dependents, heirs, executors, administrators, representatives, successors and assigns, as applicable, hereby is deemed to and does fully, finally, irrevocably and unconditionally release and forever discharge each of the Company, the Directors, the Officers and any alleged fiduciary (whether acting as a director, officer, or other responsible party), Cassels, Akin Gump, Ernst & Young Inc., the Monitor, the Financial Advisor, the First Lien Agent, the Collateral Trustee, the Second Lien Trustee, the Consenting First Lien Lenders, and the Consenting First Lien Advisors, together with each of their respective current and former legal counsel, financial advisors, representatives, directors, officers, predecessors, affiliates, member companies, related companies, shareholders, heirs, spouses, dependants, administrators, executors, employees, professional advisors including solicitors, auditors, contractors, consultants, servants, agents and assigns (collectively, the "**Released Parties**" and individually, a "**Released Party**"), of and from any and all Claims, and, without limitation, any and all past, present and future claims, causes of action, debts, rights, interests, actions, rights of indemnity, liabilities, demands, duties, injuries, accounts, covenants, damages, expenses, fees (including solicitors' fees or liens), costs, compensation, or causes of action of whatsoever kind or nature whether foreseen or unforeseen, known or unknown, matured or unmatured, direct, indirect or derivative, asserted or unasserted, contingent or actual, liquidated or unliquidated, whether in tort or contract, whether statutory, at common law or in equity, based on, in connection with, arising out of, or in any way related to, in whole or in part, directly or indirectly, any act, inaction or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Effective Time relating to or otherwise in connection with the Company, including, (a) the business and operations of the Company, (b) the property and assets of the Company, (c) the Affected Claims, the Plan or the CCAA Proceeding, (d) the Support Agreement, (e) the Equity Claims and the Existing Shares; (f) a contract that has been restructured, terminated, repudiated, disclaimed or resiliated prior to the Disclaimer Deadline in accordance with the CCAA, (g) the Recapitalization and any Restructuring Transaction in respect of which the Released Parties had any role, whether in their capacity as Officers, Directors or in any other capacity, (h) liabilities of the Directors and Officers and any alleged fiduciary or other duty, including any and all Claims that may be made against the Directors or Officers where by law such Directors or Officers may be liable in their capacity as Directors or Officers, or (i) any Claim that has been barred or extinguished by the Claims Procedure Order or the Supplemental Claims Procedure Order (all collectively, the "**Released Claims**"); and at the Effective Time the Company is deemed to and does fully, finally, irrevocably and unconditionally release and forever discharge every other Released Party of and from any and all Released Claims.

Notwithstanding the foregoing, nothing in this Section 10.4 shall release or discharge:

(a) the Company from any Unaffected Claim that has not been paid in full under this Plan to the extent of such non-payment;

(b) a Released Party from its obligations under this Plan;

(c) a Released Party found by a court of competent jurisdiction by final determination on the merits to have committed fraud in relation to a Released Claim for which it is responsible at law; or

(d) the Directors from any Claims which have been preserved in accordance with the Claims Procedure Order or the Supplemental Claims Procedure Order that cannot be compromised due to the provisions of Section 5.1(2) of the CCAA.

10.5 Injunction

Subject to the exceptions stated in sub-paragraphs (a) through (d) of Section 10.4 of this Plan, all Persons, along with their respective affiliates, present and former officers, directors, employees, associated individuals, auditors, beneficiaries, financial advisors, legal counsel, other professionals, sureties, insurers, indemnitors, agents, dependents, heirs, executors, administrators, representatives, successors and assigns, as applicable, are permanently and forever barred, estopped, stayed and enjoined, on and after the Effective Time, with respect to the Affected Claims, the Equity Claims and the Released Claims, from:

(a) commencing, conducting or continuing in any manner, directly or indirectly, any action, suit, demand or other proceeding of any nature or kind whatsoever (including any proceeding in a judicial, arbitral, administrative, regulatory or other forum) against any of the Released Parties or their property;

(b) enforcing, levying, attaching, collecting or otherwise recovering or enforcing by any manner or means, directly or indirectly, any judgment, award, decree or order against any of the Released Parties or their property;

(c) commencing, conducting or continuing in any manner, directly or indirectly, any action, suit or demand (including by way of contribution or indemnity or other relief, in common law, or in equity, breach of trust or breach of fiduciary duty or under the provisions of any statute or regulation) or other proceeding of any nature or kind whatsoever (including any proceeding in a judicial, arbitral, administrative, regulatory or other forum) against any Person who makes such a claim or might reasonably be expected to make such a claim in any manner or forum, against one or more of the Released Parties;

(d) creating, perfecting, asserting or otherwise enforcing, directly or indirectly, any Lien or encumbrance of any kind; or

(e) taking any action to interfere with the implementation or consummation of the Plan (including the Recapitalization and the Restructuring Transactions);

and any such proceedings will be deemed to have no further effect against the Company or any of its assets and will be released, discharged or vacated without cost to the Company. All Persons shall cooperate with the Company and the Monitor in lifting any Lien or discontinuing any proceeding filed or commenced prior to the Effective Time, as the Company or the Monitor may reasonably request. The Company may apply to the CCAA Court to obtain a discharge or dismissal of any such proceedings if necessary without notice to any Person.

10.6 Knowledge of Claims

Each Person to which Section 10.4 applies shall be deemed to have granted the releases set out in this Section 10.4 notwithstanding that it may hereafter discover facts in addition to, or different from, those which it now knows or believes to be true, and without regard to the subsequent discovery or existence of such different or additional facts, and such party expressly waives any and all rights that it may have under any Applicable Law which would limit the effect of such releases to those Claims or causes of action known or suspected to exist at the Effective Time.

10.7 Waiver of Defaults

At the Effective Time, and subject to any express provisions to the contrary in any amending agreement entered into with the Company after the Filing Date, all Persons shall be deemed to have waived any and all defaults of the Company then existing or previously committed, caused by any of the provisions hereof, or non-compliance with any covenant, warranty, representation, term, provision, condition or obligation, express or implied, in every contract, mortgage, security agreement, indenture, trust indenture, loan agreement, commitment letter, agreement for sale, lease, personal property lease or other agreement, written or oral, and any amendments or supplements thereto, existing between such Person and the Company. Any and all notices of default, acceleration of payments and demands for payments under any instrument, or other notices, including any notices of intention to proceed to enforce security, arising from any of such aforesaid defaults shall be deemed to have been rescinded and withdrawn. For greater certainty, nothing in this Section shall waive any obligations of the Company in respect of any Unaffected Claim.

10.8 Consents and Waivers

At the Effective Time, all Creditors shall be deemed to have consented and to have agreed to all of the provisions of this Plan in its entirety. Each Creditor shall be deemed to have (a) granted, and executed and delivered to the Company all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out this Plan in its entirety and (b) agreed that if any conflict exists between the provisions of any agreement or arrangement, written or oral, existing between the Company and such Creditor and the provisions of this Plan, then the provisions of this Plan shall govern and the provisions of such other agreement or arrangement shall be amended accordingly.

10.9 Deeming Provisions

In this Plan, the deeming provisions are not rebuttable and are conclusive and irrevocable.

10.10 Preferential Transactions

Sections 95 to 101 of the BIA and any Applicable Law relating to preferences, settlements, fraudulent conveyances or transfers at undervalue shall not apply in any respect, including, without limitation, to any dealings prior to the Filing Date, to this Plan, to any payments or distributions made in connection with the restructuring and recapitalization of the Company, whether made before or after the Filing Date, or to any and all transactions contemplated by and to be implemented pursuant to this Plan.

10.11 Compromise of Claims under Section 19(2) of the CCAA

On the Effective Date, the following Claims which have been preserved in accordance with the Claims Procedure Order or the Supplemental Claims Procedure Order shall be compromised under this Plan, including pursuant to the terms of this Article 10 and shall be deemed to be a Released Claim pursuant to Section 10.4 of this Plan:

(a) any fine, penalty, restitution order or other order similar in nature to a fine, penalty or restitution order, imposed by a court in respect of an offence;

(b) any award of damages by a court in civil proceedings in respect of

(i) bodily harm intentionally inflicted, or sexual assault, or

(ii) wrongful death resulting from an act referred to in subparagraph (i);

(c) any debt or liability arising out of fraud, embezzlement, misappropriation or defalcation while acting in a fiduciary capacity or, in Quebec, as a trustee or an administrator of the property of others;

(d) any debt or liability resulting from obtaining property or services by false pretences or fraudulent misrepresentation, other than a debt or liability of the Company that arises from an Equity Claim; or

(e) any debt for interest owed in relation to an amount referred to in any of paragraphs (a) to (d),

provided that this Section shall only apply to a Person who voted (in person or by proxy) in favour of this Plan at the Creditors' Meetings.

ARTICLE 11
GENERAL PROVISIONS

11.1 Further Assurances

Notwithstanding that the transactions and events set out in this Plan may be deemed to occur without any additional act or formality other than as may be expressly set out herein, each of the Persons affected hereto shall make, do, and execute or cause to be made, done or executed all such further acts, deeds, agreements, assignments, transfers, conveyances, discharges, assurances, instruments, documents, elections, consents or filings as may be reasonably required by the Company in order to implement this Plan.

11.2 Set-Off

The law of set-off applies to all Claims made against the Company and to all actions instituted by it for the recovery of debts due to the Company in the same manner and to the same extent as if the Company was plaintiff or defendant, as the case may be.

11.3 Paramountcy

Without limiting any other provision hereof, from and after the Effective Date, in the event of any conflict between this Plan and the covenants, warranties, representations, terms, conditions, provisions or obligations, expressed, or implied, of any contract, mortgage, security agreement, indenture, trust indenture, loan agreement, commitment letter, agreement for sale, lease, personal property lease or other agreement, written or oral, and any and all amendments or supplements thereto, existing between the Company and any other Persons affected by this Plan, the terms, conditions and provisions of this Plan shall govern and shall take precedence and priority.

11.4 Revocation, Withdrawal, or Non-Consummation

The Company reserves the right to revoke or withdraw this Plan at any time prior to the Effective Time and to file subsequent plans of compromises or arrangement. If the Company revokes or withdraws this Plan, or if the Sanction Order is not issued, (a) this Plan shall be null and void in all respects, (b) any Affected Claim, any settlement or compromise embodied in this Plan (including the fixing or limiting of any Affected Claim to an amount certain), and any document or agreement executed pursuant to this Plan shall be deemed null and void, and (c) nothing contained in this Plan, and no action taken in preparation for consummation of this Plan, shall (i) constitute or be deemed to constitute a waiver or release of any Affected Claims by or against the Company or any Person; (ii) prejudice in any manner the rights of the Company or any Person in any further proceedings involving the Company, or (iii) constitute an admission of any sort by the Company or any Person.

11.5 Preservation of Rights of Action

Except as otherwise provided in this Plan or in the Sanction Order, or in any contract, instrument, release, indenture or other agreement entered into in connection with the Plan, following the Effective Time, the Company will retain and may enforce, sue on, settle, or compromise (or decline to do any of the foregoing) all claims, rights or causes of action, suits and proceedings, whether in law or in equity, whether known or unknown, that the Company may hold against any Person or entity, without further approval of the CCAA Court.

11.6 Responsibilities of the Monitor

The Monitor is acting in its capacity as Monitor in the CCAA Proceeding with respect to the Company and is not responsible or liable for any obligations of the Company. The Monitor will have the powers and protections granted to it by this Plan, by the CCAA and by any Order, including the Initial Order, the Claims Procedure Order, the Supplemental Claims Procedure Order and the Creditors' Meetings Order. Both prior to and after the Effective Date, the Company shall provide such assistance as reasonably required by the Monitor in connection with the completion of the Monitor's duties and obligations under this Plan.

11.7 Reliance Upon Consent

For the purposes of this Plan, where a matter shall have been agreed, waived, consented to or approved by the Company, or a matter must be satisfactory or acceptable to the Company, any Person shall be entitled to rely on written confirmation from Cassels that the Company has agreed, waived, consented to or approved a particular matter.

For the purposes of this Plan, where a matter shall have been agreed, waived, consented to or approved by the Consenting First Lien Lenders, or a matter must be satisfactory or acceptable to the Consenting First Lien Lenders, such matter shall be decided by the Majority Consenting First Lien Lenders and any Person shall be entitled to rely on written confirmation from Bennett Jones LLP, as counsel to the Consenting First Lien Lenders, that the Majority Consenting First Lien Lenders have agreed, waived, consented to or approved a particular matter.

11.8 Adjudication of Unresolved Claims

Following the Effective Time, Cassels shall continue to have primary carriage and responsibility as legal counsel in connection with litigation or other adjudication of any remaining Disputed Claims, Alleged Priority Secured Claims, Alleged Retention Plan Claims or Alleged Directors' Charge Claims pursuant to this Plan, the Claims Procedure Order, the Supplemental Claims Procedure Order or otherwise.

11.9 Obligation to Pay Only to the Extent Funds are Available

Notwithstanding any other provision of this Plan, and without in any way limiting the protections for the Monitor set out in the Orders or the CCAA, the Monitor shall have no obligation to make any payment contemplated under this Plan, and nothing shall be construed as obligating the Monitor to make any such payment, unless and until the Monitor is in receipt of funds adequate to effect any such payment in full.

11.10 Application of First Lien Credit Agreement to Actions of First Lien Agent

The First Lien Credit Agreement (and any other loan document applicable to the First Lien Agent and the agency that the First Lien Agent is providing under and in connection with the First Lien Credit Agreement) continue to apply, including the provisions of Article VIII of the First Lien Credit Agreement (and, without limiting the generality of the foregoing, the First Lien Agent's right to delegate any of its duties and/or rights and powers to a sub-agent in accordance with the terms of Section 8.05 of the First Lien Credit Agreement), provided, however, that in the case of any delegation to a sub-agent, the First Lien Agent shall take all such steps as requested by the Consenting First Lien Lenders to cause such sub-agent to do such things as are necessary to effect and complete the actions and steps contemplated under this Plan.

11.11 Monitor shall have no Personal Liability

The Monitor shall not incur any liability whatsoever, including in respect of (a) any amount paid, required to be paid or not paid pursuant to this Plan, (b) any costs or expenses incurred in connection with, in relation to or as a result of any payment made, required to be made or not made, or (c) any deficiency in the Plan Implementation Fund or any reserves established pursuant to this Plan.

11.12 Notices

Any notice or communication to be delivered hereunder will be in writing and will reference this Plan and may, subject to as hereinafter provided, be made or given by mail, personal delivery or by e-mail transmission addressed to the respective parties as follows:

(a) if to the Company:

Connacher Oil and Gas Limited
Suite 1040, 640 5th Avenue SW
Calgary, Alberta T2P 3G4

Attention: Merle Johnson
Email: MeJohnson@Connacheroil.com

With a copy to (which shall not constitute notice):

Cassels Brock & Blackwell LLP
2100 Scotia Plaza
40 King St. West
Toronto, Ontario M5H 3C2

Attention: Ryan Jacobs/Joseph Bellissimo
E-mail: rjacobs@casselsbrock.com/jbellissimo@casselsbrock.com

With a copy to (which shall not constitute notice):

Ernst & Young Inc.,
in its capacity as Monitor of Connacher Oil and Gas Limited
Calgary City Centre
Suite 2200, 215 – 2nd Street SW
Calgary, Alberta T2P 1M4

Attention: Peter Chisholm
Email: peter.chisholm@ca.ey.com

(b) if to the Monitor:

Ernst & Young Inc.,
in its capacity as Monitor of Connacher Oil and Gas Limited
Calgary City Centre
Suite 2200, 215 – 2nd Street SW
Calgary, Alberta T2P 1M4

Attention: Peter Chisholm
Email: peter.chisholm@ca.ey.com

With a copy to (which shall not constitute notice):

McCarthy Tétrault LLP
Suite 4000, 421 7th Avenue SW
Calgary, Alberta T2P 4K9

Attention: Sean F. Collins/Walker MacLeod
Email: scollins@mccarthy.ca/wmacleod@mccarthy.ca

(c) if to the Consenting First Lien Lenders:

Bennett Jones LLP
3400 One First Canadian Place
Toronto, Ontario M5X 1A4

Attention: Sean Zweig/Luke Morrison
Email: zweigs@bennettjones.com/morrisonl@bennettjones.com

(d) if to the First Lien Agent

Wilmington Trust, National Association
Rodney Square North, 1100 North Market Street
Wilmington, DE 19890

Attention: Joseph B. Feil
Email: jfeil@wilmingtontrust.com

with a copy (which shall not constitute notice) given in like manner to:

Jones Day
222 East 41st Street
New York, NY 10017-6702

Attention: Lewis Grimm
Email: lgrimm@jonesday.com

(e) if to a Creditor:

To the address specified in the Proof of Claim filed by such Creditor or such other address as the Creditor may from time to time notify the Monitor in accordance with this Section,

or to such other address as any party may from time to time notify the others in accordance with this Section. All such notices and communications which are delivered will be deemed to have been received on the date of delivery. All such notices and communications which are faxed or emailed will be deemed to be received on the date faxed or e-mailed if sent before 5:00 p.m. (Calgary time) on a Business Day and otherwise will be deemed to be received on the Business Day next following the day upon which such fax or email was sent. Any notice or other communication sent by mail will be deemed to have been received on the third Business Day after the date of mailing.

If during any period during which notices or other communications are being given pursuant to this Plan a postal strike or postal work stoppage of general application should occur, such notices or other communications sent by ordinary mail and then not received shall not, absent further order of the CCAA Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery or electronic or digital transmission in accordance with this Plan.

SCHEDULE "A"

RESTRUCTURING TRANSACTIONS

Commencing at the Effective Time, the following events or transactions will occur, or be deemed to have occurred and be taken and effected in five minute increments (unless otherwise indicated) and at the times set out in this section (or in such other manner or order or at such other time or times as the Company may determine in consultation with the Monitor and the Consenting First Lien Lenders), without any further act or formality required on the part of any Person, except as may be expressly provided herein:

(a) the Monitor shall make the payments and distributions contemplated by the Plan on the Effective Date;

(b) the articles of the Company under the CBCA shall be amended

(i) to create the New Shares as a new class of shares that the Company is authorized to issue, which shares shall be unlimited in number, be designated as "Class A Common Shares", and have attached thereto the following rights, privileges, restrictions and conditions:

(A) the right to receive notice of and to attend all meetings of shareholders of the Corporation, and to one vote in respect of each Class A Common Share at all such meetings;

(B) subject to the rights of the holders of the First Preferred Shares and the Second Preferred Shares and any other class of shares ranking senior to the Class A Common Shares, the right to receive and participate rateably in any dividend declared by the Board of Directors of the Corporation; and

(C) subject to the rights of the holders of the First Preferred Shares and the Second Preferred Shares and any other class of shares ranking senior to the Class A Common Shares, in the event of the liquidation, dissolution or winding up of the Corporation or other distribution of the property of the Corporation among the shareholders for the purpose of winding up its affairs, the right to receive and participate rateably in the distribution of the remaining property of the Corporation;

(ii) to include a restriction on the transfer of shares of the Company, to the effect that no shares may be transferred without the approval of the board of directors of the Company; and

(iii) to provide that the Company has a lien on a share registered in the name of a shareholder or the shareholder's personal representative for a debt of that shareholder to the Company;

(c) the Company shall issue Class A Common Shares to the First Lien Lenders in accordance with Sections 5.2 and 7.1 of the Plan, provided, however, that no fractional Class A Common Shares shall be allocated or issued and any fractional Class A Common Shares that would have otherwise been issued shall be rounded down to the nearest whole number without compensation therefor;

(d) all of the Company's issued and outstanding Equity Claims shall be cancelled without any return of capital or other payment in respect thereof and in particular, but without limitation, all outstanding Existing Shares, warrants, options and other rights or obligations to acquire Existing Shares shall be cancelled for no consideration;

(e) the Shareholders Agreement shall become effective;

(f) the Company shall execute and deliver to the New Senior Secured Term Facility Agent the New Senior Secured Term Facility;

(g) the Administration Charge, the Directors' Charge, the KERP/LTIP Charge, the KEIP Charge, the Financial Advisor Charge and the ATB Charge shall be deemed to be released as against the assets of the Company and the Plan Implementation Fund, provided that the Administration Charge shall continue to be secured against the assets of the Administrative Reserve Fund;

(h) the Affected Creditors shall be entitled to the treatment set out in the Plan in full and final settlement of their Affected Claims, and:

(i) the Affected Claims shall, and shall be deemed to be, irrevocably and finally extinguished and such Affected Creditors shall have no further right, title or interest in and to its Affected Claim;

(ii) no Person who has a claim under any guarantee, surety, indemnity or similar covenant in respect of any Affected Claim or who has any right to claim over in respect of or to be subrogated to the rights of any Person in respect of an Affected Claim will be entitled to any greater rights as against the Company than the Person whose Affected Claim is compromised under the Plan;

(iii) all debentures, notes, certificates, indentures, guarantees, agreements, invoices and other instruments evidencing Affected Claims (and all guarantees associated with each of the foregoing), will not entitle any holder to any compensation or participation other than as expressly provided for in the Plan and will be deemed cancelled and extinguished;

(iv) all distributions made pursuant to the Plan to Affected Creditors will be allocated first towards the repayment of the amount of the Affected Claim attributable to principal and, if greater than the amount of principal, second, towards the repayment of any amount of such Claim attributable to unpaid interest;

(i) the discovery, extended reporting, or run-off period under applicable insurance policies in favour of Directors or Officers shall be deemed to be triggered, with payment of insurance premiums and any applicable fees for such run-off period being made from funds on deposit with or held in escrow for such purpose by the Company's insurance broker;

(j) the directors of the Company holding office immediately prior to the Effective Time shall be deemed to have resigned and the individuals comprising the New Board shall be deemed to have been appointed as directors;

(k) all rights to indemnification or exculpation now existing in favour of present and former employees, officers and directors of the Company and its subsidiaries shall survive the completion of the Plan and shall continue in full force and effect in accordance with their terms for a period of not less than six (6) years from the Effective Date;

(l) the releases and injunctions referred to in Article 10 of the Plan shall become effective, and shall be deemed to be, fully, finally, irrevocably and forever compromised, settled, released, discharged, extinguished, cancelled and barred and the Company shall be fully, finally and irrevocably released from any and all claims, liabilities or obligations of any kind to an Affected Creditor, Creditor or Person, and the Affected Creditors shall only have rights thereafter as against the General Creditor Pool held by the Monitor or against the reserves and funds established pursuant to the Plan as applicable; and

(m) the Company and its wholly owned subsidiary, 11403389 Canada Inc., shall amalgamate to continue as one corporation under Section 184(1) of the CBCA.

SCHEDULE "B"

FORM OF MONITOR'S CERTIFICATE

COURT FILE NUMBER	1601-06131	Clerk's Stamp
COURT	COURT OF QUEEN'S BENCH OF ALBERTA	
JUDICIAL CENTRE	CALGARY	

COMPANY	**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED** **AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CONNACHER OIL AND GAS LIMITED**
DOCUMENT	**MONITOR'S CERTIFICATE**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**MCCARTHY TETRAULT LLP** Suite 4000, 421 7th Avenue SW Calgary, Alberta T2P 4K9 Attn: Sean Collins/Walker MacLeod Tel: 403-260-3531 Fax: 403-260-3501 Email: scollins@mccarthy.ca wmacleod@mccarthy.ca

RECITALS

A. Pursuant to the order of this Honourable Court dated May 17, 2016 (the "**Initial Order**"), the Company filed for and obtained protection from its creditors under the *Companies' Creditors Arrangement Act* R.S.C. 1985, c. C-36, as amended.

B. Pursuant to the Initial Order, Ernst & Young Inc. was appointed as the monitor of the Company (the "**Monitor**") with the powers, duties and obligations set out in the Initial Order;

C. The Company has filed a Plan of Compromise and Arrangement under the CCAA dated May 6, 2019 (the "**Plan**"), which Plan has been approved by the requisite majorities of Creditors in each Class and the Court; and

D. Unless otherwise indicated herein, initially capitalized terms used herein have the meaning set out in the Plan.

THE MONITOR HEREBY CERTIFIES the following:

1. The Monitor has received written confirmation from the Company, in form and substance satisfactory to the Monitor, that the conditions to the implementation of the Plan set out in Section 8.2 of the Plan have been satisfied or waived in accordance with the Plan;

2. The Monitor has received the Plan Implementation Fund in accordance with the terms of the Plan; and

3. This Certificate was delivered by the Monitor to the Company and counsel to the Consenting First Lien Lenders on ___________________________ **[Date]**.

ERNST & YOUNG INC., in its capacity as the Court-appointed Monitor of the Company and not in its personal or corporate capacity

By: ___________________________

Name:

Title:

SCHEDULE "C"

FORM OF NOTICE TO AFFECTED CREDITORS

NOTICE OF CREDITORS' MEETINGS AND SANCTION HEARING FOR AFFECTED CREDITORS

TO: The Affected Creditors of Connacher Oil and Gas Limited (the "**Applicant**")

Creditors' Meetings

NOTICE IS HEREBY GIVEN that a meeting of the First Lien Lender Class and a meeting of the General Creditor Class for holders as of the applicable record dates will be held on June 19, 2019 at 11:30 a.m. (Calgary time) and 11:45 a.m. (Calgary time), respectively, at the offices of Cassels Brock & Blackwell LLP, Suite 3810, Bankers Hall West, 888 3rd Street SW, Calgary, Alberta (the "**Creditors' Meetings**") for the following purposes:

1. to consider and, if deemed advisable, to pass, with or without variation, resolutions of the First Lien Lender Class and the General Creditor Class, respectively (each a "**Resolution**") approving the Plan of Compromise and Arrangement of the Applicant pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") dated May 6, 2019 (as may be amended, restated, supplemented or replaced from time to time in accordance with the terms thereof, the "**Plan**"); and

2. to transact such other business as may properly come before either of the Creditors' Meetings or any adjournment or postponement thereof.

The Creditors' Meetings are being held pursuant to an order (the "**Creditors Meetings Order**") of the Court of Queen's Bench of Alberta (the "**Court**") made on May 16, 2019.

Capitalized terms used and not otherwise defined in this Notice have the respective meanings given to them in the Plan or the 2019 Creditors' Meetings Order.

The Plan

The Plan contemplates the compromise of the Claims of the Affected Creditors. The 2019 Creditors' Meetings Order has established that quorum for the Creditors' Meetings is the presence, in person or by proxy, (i) at the meeting of the First Lien Lender Class, of at least one Beneficial First Lien Lender with an Accepted Claim and (ii) at the meeting of the General Creditor Class, of at least one General Creditor with an Accepted Claim.

In order for the Plan to be approved and binding in accordance with the CCAA, the applicable Resolution must be approved by a required majority of Affected Creditors with Accepted Claims in each of the First Lien Lender Class and the General Creditor Class who validly vote, in person or by proxy, or were deemed to do so, at the applicable Creditors' Meeting(s).

Each Affected Creditor with a Voting Claim will be entitled to one vote in the total amount of its Voting Claim in the applicable class at the applicable Creditors' Meeting(s) in accordance with the 2019 Creditors' Meetings Order. If the Plan is approved in each of the Creditors' Meetings, the Plan must then be sanctioned by the Court before it can be implemented. Subject to Court sanction and the satisfaction of the other conditions precedent to implementation of the Plan, all Affected Creditors will then receive the treatment set forth in the Plan.

Forms and Proxies for Affected Creditors

An Affected Creditor, other than a Beneficial Noteholder, may vote at the applicable Creditors' Meeting(s) in person or may appoint another person as its proxyholder by duly completing and submitting to the Monitor the form of First Lien Lenders Proxy or General Creditors Proxy (collectively, the "**Proxies**"), as applicable.

In order to be effective, Proxies must be received by the Monitor at Ernst & Young Inc., Calgary City Centre, 2200-215 2nd Street SW, Calgary, Alberta T2P 1M4 (Attention: Jose Aldana Herbas), email: connacher.monitor@ca.ey.com prior to 5:00 p.m. (Calgary time) on the day that is two business days before the Creditors' Meetings. Persons appointed as proxyholders need not be Affected Creditors.

If an Affected Creditor at the applicable Creditors' Meeting specifies a vote on the Plan in their Proxy, the Proxy will be voted in accordance with the specification so made. In absence of such specification, a Proxy will be voted FOR the Resolution provided that the proxyholder does not otherwise exercise its right to vote at the applicable Creditors' Meeting(s).

Beneficial Noteholders should promptly contact their Participant Holder and obtain and follow their Participant Holder's instructions with respect to the applicable voting procedures and deadlines, which may be earlier than the deadlines that are applicable to other Affected Creditors. It should be noted that the only way for a Beneficial Noteholder to vote is to provide Voting Instructions to their Participant Holder. Beneficial Noteholders with questions regarding the solicitation process should contact the Solicitation and Information Agent, Kingsdale Advisors, by phone: 416-867-2272; North American Toll Free: 1-888-642-3150; or e-mail: contactus@kingsdaleadvisors.com.

Beneficial Noteholders who hold General Creditor Claims other than Second Lien Deficiency Claims are instructed to complete a General Creditors Proxy (in addition to providing Voting Instructions) in order to vote the amount of such General Creditor Claims.

Sanction Hearing

NOTICE IS ALSO HEREBY GIVEN that if the Plan is approved at each of the Creditors' Meetings, the Applicant intends to bring an application before the Court on June 20, 2019 at 10:00 a.m. (Calgary time) or such later date as may be posted on the Monitor's Website, at the Court located at Calgary Courts Centre, 601 5 Street SW, Calgary, Alberta.

The application seeks an order sanctioning the Plan under the CCAA and ancillary relief consequent upon such sanction. Any Affected Creditor that wishes to oppose the sanctioning of the Plan must serve on the Applicant, the Monitor and the service list for the Applicant's CCAA proceeding a notice setting out the basis for such opposition and a copy of the materials to be used to oppose the application no later than 5:00 p.m. (Calgary time) on the date that is seven (7) Business Days prior to the Sanction Hearing Date.

A copy of the service list may be obtained from the Monitor's Website at www.ey.com/ca/connacheroilandgas together with copies of other materials related to this process.

This Notice is given by the Applicant pursuant to the 2019 Creditors' Meetings Order.

DATED this 16th day of May, 2019.

SCHEDULE "D"

FORM OF FIRST LIEN LENDERS PROXY

PROXY AND INSTRUCTIONS
FOR FIRST LIEN LENDERS
IN THE MATTER OF THE PROPOSED
PLAN OF COMPROMISE AND ARRANGEMENT OF
CONNACHER OIL AND GAS LIMITED

MEETINGS OF FIRST LIEN LENDERS AND GENERAL CREDITORS

to be held pursuant to an Order of the Court of Queen's Bench of Alberta (the "**Court**") made on May 16, 2019 (the "**2019 Creditors' Meetings Order**") in connection with the Plan of Compromise and Arrangement of Connacher Oil and Gas Limited (the "**Applicant**") dated May 6, 2019 (as may be further amended, restated, varied, modified and/or supplemented from time to time, the "**Plan**") on June 19, 2019 at 11:30 a.m. (Calgary time) and at any adjournment, postponement or other rescheduling thereof (the "**First Lien Lender Meeting**"), and on June 19, 2019 at 11:45 a.m. (Calgary time) and at any adjournment, postponement or other rescheduling thereof (the "**General Creditor Class Meeting**") at:

Cassels Brock & Blackwell LLP
Suite 3810, Bankers Hall West
888-3rd Street SW
Calgary, Alberta

Please complete, sign and date this Proxy and return it to the Monitor, Ernst & Young Inc., so it is actually received by 5:00 p.m. (Calgary time) on June 17, 2019, or by two (2) Business Days prior to any adjourned, postponed or rescheduled Creditors' Meeting (the "**Proxy Deadline**").

The Plan is included in the First Lien Lender Meeting Materials delivered by the Monitor to all First Lien Lenders, a copy of which you have received. All capitalized terms used but not defined in this Proxy shall have the meanings ascribed to such terms in the Plan or in the 2019 Creditors' Meetings Order.

You should review the Plan before you vote. In addition, on May 16, 2019, the Court issued the 2019 Creditors' Meetings Order establishing certain procedures for the conduct of the Creditors' Meetings, a copy of which is included in the First Lien Lender Meeting Materials. The 2019 Creditors' Meetings Order contains important information regarding the voting process. Please read the 2019 Creditors' Meetings Order and the instructions sent with this Proxy prior to submitting this Proxy.

If the Plan is approved by the Required Majorities, is sanctioned by the Court and is implemented, it will be binding on you whether or not you vote.

APPOINTMENT OF PROXYHOLDER AND VOTE

By checking one of the two boxes below, the undersigned First Lien Lender hereby revokes all proxies previously given and nominates, constitutes and appoints either (if no box is checked, the Monitor will act as your proxyholder):

☐ ____, or

☐ Sean Zweig of Bennett Jones LLP, counsel to the First Lien Agent and Consenting First Lien Lenders,

as proxyholder, with full power of substitution, to attend, vote and otherwise act for and on behalf of the undersigned at the First Lien Lender Meeting and at adjournment(s), postponement(s) and rescheduling(s) thereof, and at the General Creditor Class Meeting and at adjournment(s), postponement(s) and rescheduling(s) thereof and to vote the amount of the First Lien Lender's Voting Claim(s), as follows (*mark only one*):

☐ Vote **FOR** the approval of the Plan, or

☐ Vote **AGAINST** the approval of the Plan

Please note that if no specification is made above, the First Lien Lender will be deemed to have voted FOR approval of the Plan at the First Lien Lender Meeting and at the General Creditor Class Meeting provided unless the First Lien Lender otherwise exercises its right to vote at the First Lien Lender Meeting or the General Creditor Class Meeting.

The person named as proxyholder is specifically directed to vote as shown below. The person named as proxyholder is also directed to vote at the proxyholder's discretion and otherwise act for and on behalf of the undersigned with respect to any amendments or variations to the Plan and to any matters that may come before the First Lien Lender Meeting or at the General Creditor Class Meeting or at any adjournment, postponement or rescheduling thereof.

DEEMED VOTE IN GENERAL CREDITOR CLASS

For greater certainty, the vote "FOR" or "AGAINST" approval of the Plan indicated by a First Lien Lender on its First Lien Lenders Proxy shall be deemed to be such First Lien Lender's vote in respect of any General Creditor Claims including any First Lien Deficiency Claims or Second Lien Deficiency Claims held by such First Lien Lender for the General Creditor Class Meeting, provided however that a First Lien Lender must also return a Voting Information and Election Form to their Participant Holder prior to the Beneficial Noteholder Voting and Election Deadline for their vote in respect of their Second Lien Deficiency Claim to be recorded.

The General Creditor Class Claims held by the undersigned First Lien Lender are:

1 The First Lien Deficiency Claim associated with the amount set of the First Lien Lender Claim set out above
____

2 ____
Claim Description Amount

3 ____
Claim Description Amount

(attach additional pages if required)

Although any General Creditor Claims held by the undersigned First Lien Lender will be deemed to be voted in accordance with this Proxy, First Lien Lenders are required

to submit their Voting Instructions on account of any the Second Lien Deficiency Claim held by the First Lien Lender to allow the applicable Participant Holder to verify the beneficial ownership of the Second Lien Notes.

DATED at ______________________ this _______ day of ___________________, 2019.

FIRST LIEN LENDER'S SIGNATURE:

____

(Print Legal Name of First Lien Lender)

____

(Print Legal Name of Assignee, if applicable)

____

Signature of Witness	(Signature of the First Lien Lender/Assignee or an Authorized Signing Officer of the First Lien Lender/Assignee)

____

Print Name of Witness	(Print Name and Title of Authorized Signing Officer of the First Lien Lender/Assignee, if applicable)

____

(Mailing Address of the First Lien Lender/Assignee)

____

(Telephone Number and E-mail of the First Lien Lender/Assignee or Authorized Signing Officer of the First Lien Lender/Assignee)

YOUR PROXY MUST BE RECEIVED BY THE MONITOR AT THE MAILING ADDRESS OR EMAIL ADDRESS LISTED BELOW OR BEFORE THE PROXY DEADLINE.

Ernst & Young Inc.
Calgary City Centre
2200-215 2nd Street SW
Calgary, Alberta T2P 1M4

Attention: Jose Aldana Herbas
E-mail: connacher.monitor@ca.ey.com

If you have any questions regarding this Proxy or the voting procedures, or if you need an additional copy or additional copies of the enclosed materials, please contact the Monitor at connacher.monitor@ca.ey.com or visit the Monitor's Website at www.ey.com/ca/connacheroilandgas.

INSTRUCTIONS FOR COMPLETION OF PROXY FOR FIRST LIEN LENDERS

1. All capitalized terms used but not defined in this Proxy shall have the meanings ascribed to such terms in the Plan or in the 2019 Creditors' Meetings Order, copies of which you have received.

2. Beneficial First Lien Lenders will be entitled to vote as part of the First Lien Lender Class on the basis of such First Lien Lender's Pro Rata Share of the First Lien Claim as of the First Lien Record Date. Each Beneficial First Lien Lender shall be entitled to one vote as a member of the First Lien Lender Class, which vote shall have a value equal to the dollar value of such Beneficial First Lien Lender's Pro Rata Share of the First Lien Claim as of the First Lien Record Date.

3. Each Beneficial First Lien Lender shall be entitled to one vote as a member of the General Creditor Class, which vote shall have a value equal to the aggregate dollar value of such Beneficial First Lien Lender's (i) Pro Rata Share of the First Lien Deficiency Claim as of the First Lien Record Date, (ii) Pro Rata Share, if any of the Second Lien Deficiency Claim as of the Second Lien Notes Record Date, and (iii) Affected Claim, if any, that is not either a First Lien Deficiency Claim or a Second Lien Deficiency Claim.

4. Check the appropriate box to vote FOR or AGAINST the Plan. If you do not check either box, you will be deemed to have voted FOR approval of the Plan provided you do not otherwise exercise your right to vote at the First Lien Lender Meeting or the General Creditor Class Meeting.

5. The vote "FOR" or "AGAINST" approval of the Plan indicated by a First Lien Lender on its First Lien Lenders Proxy shall be deemed to be such First Lien Lender's vote in respect of any General Creditor Claims including any portion of First Lien Deficiency Claim or Second Lien Deficiency Claim held by such First Lien Lender for the General Creditor Class Meeting. First Lien Lenders need not calculate the amount of the First Lien Deficiency Claim held when completing the First Lien Lenders Proxy. However, First Lien Lenders who hold a portion of the Second Lien Deficiency Claim must return Voting Instructions and their identifying information for their Second Lien Deficiency Claim vote to be counted.

6. Each First Lien Lender who has a right to vote at the First Lien Lender Meeting and the General Creditor Class Meeting has the right to appoint a person (who need not be an Affected Creditor) to attend, act and vote for and on behalf of the First Lien Lender and such right may be exercised by inserting in the space provided the name of the person to be appointed, or to select a representative of the Monitor as its proxyholder. If no proxyholder is specifically identified, the First Lien Lender will be deemed to have appointed Sean Zweig of Bennett Jones LLP, counsel to the First Lien Agent and the Consenting First Lien Lenders, or such other person as Sean Zweig may designate, as proxyholder of the First Lien Lender, with full power of substitution, to attend, vote and otherwise act for and on behalf of the First Lien Lender at the First Lien Lender Meeting and the General Creditor Class Meeting to be held in connection with the Plan and at any and all adjournment(s), postponement(s) or other rescheduling(s) thereof.

7. Please read and follow these instructions carefully. Your completed Proxy must actually be received (i) by the Monitor at Ernst & Young Inc., Monitor of Connacher Oil and Gas Limited, Calgary City Centre, 2200-215 2nd Street SW, Calgary, Alberta T2P 1M4 (Attention: Jose Aldana Herbas), email: connacher.monitor@ca.ey.com prior to 5:00 p.m. two business days before the Creditors' Meetings (or any

adjournment, postponement or rescheduling thereof). Proxies can be sent to the Monitor at the mailing address or email address listed above. If your Proxy is not received by the Proxy Deadline, unless such time is extended, your Proxy will be disregarded and not counted.

8. Sign the Proxy - your signature is required on the Proxy to appoint a proxyholder and vote at the First Lien Lender Meeting and the General Creditor Class Meeting. If you are completing the Proxy as a duly authorized representative of a corporation or other entity, indicate your relationship with such corporation or other entity and the capacity in which you are signing, and if subsequently requested, provide proof of your authorization to so sign. In addition, please provide your name, mailing address, telephone number and e-mail address.

9. If you need additional Proxies, please immediately contact the Monitor.

10. If multiple Proxies are received from the same person with respect to the same Claims prior to the Proxy Deadline, the latest dated, validly executed Proxy that is timely received by the Monitor will supersede and revoke any earlier received Proxy. However, if a holder of Claims casts Proxies received by the Monitor dated with the same date, but which are voted inconsistently, such Proxies will be disregarded and not counted. If a Proxy is not dated in the space provided, it shall be deemed dated as of the date it is received by the Monitor.

11. If a First Lien Lender validly submits a Proxy to the Monitor and subsequently attends the First Lien Lender Meeting or the General Creditor Class Meeting and votes in person inconsistently, such First Lien Lender's vote at the First Lien Lender Meeting or the General Creditor Class Meeting will supersede and revoke the earlier received Proxy.

12. Proxies may be accepted for purposes of an adjourned, postponed or other rescheduled Creditors' Meeting if received by the Monitor by the Proxy Deadline.

13. Any Proxy that is illegible or contains insufficient information to permit the identification of the claimant will not be counted.

14. After the Proxy Deadline, no Proxy may be withdrawn or modified, except by a First Lien Lender voting in person at the First Lien Lender Meeting (or the General Creditor Class Meeting), without the prior consent of the Monitor and the Applicant.

If you have any questions regarding this Proxy or the voting procedures, or if you need an additional copy or additional copies of the enclosed materials, please contact the Monitor at connacher.monitor@ca.ey.com or visit the Monitor's Website at www.ey.com/ca/connacheroilandgas.

FIRST LIEN LENDER SHARE ISSUANCE INSTRUCTIONS

A First Lien Lender must also provide the information requested below (the "**Issuance Instructions**"). Upon receipt of the Issuance Instructions from a First Lien Lender, the Monitor will provide the Issuance Instructions to the Solicitation and Information Agent. If the Plan is implemented, the Issuance Instructions will be used to issue the New Shares to be distributed under the Plan to the applicable First Lien Lender.

Important: No First Lien Lender shall be entitled to the rights associated with the New Shares and all such New Shares shall be reserved on the books and records of the

Applicant and credited to the benefit of the applicable First Lien Lender until such time as such First Lien Lender has delivered the Issuance Instructions set forth below.

____
(Name as it should appear on the share certificate)

____
(Street Address and Number)

____
(City and Province or State)

____
(Country and Postal (ZIP) Code)

____
(Contact Name and Telephone – Business Hours)

____
(Email Address)

____
(Facsimile Number)

SCHEDULE "E"

FORM OF GENERAL CREDITORS PROXY

PROXY AND INSTRUCTIONS FOR GENERAL CREDITORS (OTHER THAN BENEFICIAL NOTEHOLDERS) IN THE MATTER OF THE PROPOSED PLAN OF COMPROMISE AND ARRANGEMENT OF CONNACHER OIL AND GAS LIMITED

MEETING OF GENERAL CREDITORS

to be held pursuant to an Order of the Court of Queen's Bench of Alberta (the "**Court**") made on May 16, 2019 (the "**2019 Creditors' Meetings Order**") in connection with the Plan of Compromise and Arrangement of Connacher Oil and Gas Limited (the "**Applicant**") dated May 6, 2019 (as may be further amended, restated, varied, modified and/or supplemented from time to time, the "**Plan**")

on June 19, 2019 at11:45 a.m. (Calgary time) at:

Cassels Brock & Blackwell LLP
Suite 3810, Bankers Hall West
888-3rd Street SW
Calgary, Alberta

and at any adjournment, postponement or other rescheduling thereof (the "**General Creditor Class Meeting**").

Please complete, sign and date this Proxy and return it to the Monitor, Ernst & Young Inc. so it is actually received by 5:00 p.m. (Calgary time) on June 17, 2019, or by two (2) business days prior to any adjourned, postponed or rescheduled Creditors' Meeting (the "**Proxy Deadline**").

First Lien Lenders who have submitted a First Lien Lenders Proxy should not submit this form.

The Plan is included in the General Creditor Meeting Materials delivered by the Monitor to all General Creditors, a copy of which you have received. All capitalized terms used but not defined in this Proxy shall have the meanings ascribed to such terms in the Plan or in the 2019 Creditors' Meetings Order.

You should review the Plan before you vote. In addition, on May 16, 2019, the Court issued the 2019 Creditors' Meetings Order establishing certain procedures for the conduct of the General Creditor Class Meeting, a copy of which is included in the General Creditor Meeting Materials. The 2019 Creditors' Meetings Order contains important information regarding the voting process. Please read the 2019 Creditors' Meetings Order and the instructions sent with this Proxy prior to submitting this Proxy.

If the Plan is approved by the Required Majorities, is sanctioned by the Court and is implemented, it will be binding on you whether or not you vote.

APPOINTMENT OF PROXYHOLDER AND VOTE

By checking one of the two boxes below, the undersigned General Creditor hereby revokes all proxies previously given and nominates, constitutes and appoints either (if no box is checked, the Monitor will act as your proxyholder):

☐ ______________________________________, or

☐ a representative of Ernst & Young Inc. in its capacity as Monitor of the Applicant

as proxyholder, with full power of substitution, to attend, vote and otherwise act for and on behalf of the undersigned at the General Creditor Class Meeting and at adjournment(s), postponement(s) and other rescheduling(s) thereof, and to vote the amount of the General Creditor's Voting Claim, except the amount of any Second Lien Deficiency Claims held by such General Creditor, as follows (*mark only one*):

☐ Vote **FOR** the approval of the Plan, or

☐ Vote **AGAINST** the approval of the Plan

Please note that if no specification is made above, the General Creditor will be deemed to have voted FOR approval of the Plan at the General Creditor Class Meeting provided unless the General Creditor otherwise exercises its right to vote at the General Creditor Class Meeting.

The person named herein as proxyholder is also directed to vote at the proxyholder's discretion and otherwise act for and on behalf of the undersigned with respect to any amendments or variations to the Plan and to any other matters that may come before the General Creditor Class Meeting or at any adjournment(s), postponement(s) or other rescheduling(s) thereof.

DATED at ______________________ this _______ day of ___________________, 2019.

GENERAL CREDITOR'S SIGNATURE:

____

(Print Legal Name of General Creditor)

____

(Print Legal Name of Assignee, if applicable)

____

Signature of Witness

(Signature of the General Creditor/Assignee or an Authorized Signing Officer of the General Creditor/Assignee)

____

Print Name of Witness

(Print Name and Title of Authorized Signing Officer of the General Creditor/Assignee, if applicable)

____

(Mailing Address of the General Creditor/Assignee)

____

(Telephone Number and E-mail of the General Creditor/Assignee or Authorized Signing Officer of the General Creditor/Assignee)

YOUR PROXY MUST BE RECEIVED BY THE MONITOR AT THE MAILING ADDRESS OR EMAIL ADDRESS LISTED BELOW OR BEFORE THE PROXY DEADLINE.

Ernst & Young Inc.
Calgary City Centre
2200-215 2nd Street SW
Calgary, Alberta T2P 1M4

Attention: Jose Aldana Herbas
E-mail: connacher.monitor@ca.ey.com

If you have any questions regarding this Proxy or the voting procedures, or if you need an additional copy or additional copies of the enclosed materials, please contact the Monitor at connacher.monitor@ca.ey.com, or visit the Monitor's Website at www.ey.com/ca/connacheroilandgas.

INSTRUCTIONS FOR COMPLETION OF PROXY FOR GENERAL CREDITORS

1. All capitalized terms used but not defined in this Proxy shall have the meanings ascribed to such terms in the Plan or in the 2019 Creditors' Meetings Order, copies of which you have received.

2. The aggregate amount of your Claim in respect of which you are entitled to vote (your "**Voting Claim**") shall be your Accepted Claim, or with respect to a claim which is not yet an Accepted Claim or a Disputed Claim, the amount as determined by the Monitor to be your Voting Claim in accordance with the Plan, the Claims Procedure Order, the Supplemental Claims Procedure Order and the 2019 Creditors' Meetings Order.

3. General Creditors are entitled to vote at the General Creditor Class Meeting in respect of their Claims. This General Creditors Proxy, however, may only be used to vote the amount of your General Creditor Claim that is not a Second Lien Deficiency Claim.

4. Check the appropriate box to vote FOR or AGAINST the Plan. If you do not check either box, you will be deemed to have voted FOR approval of the Plan provided you do not otherwise exercise your right to vote at the General Creditor Class Meeting.

5. Each General Creditor who has a right to vote at the General Creditor Class Meeting has the right to appoint a person (who need not be an Affected Creditor) to attend, act and vote for and on behalf of the General Creditor and such right may be exercised by inserting in the space provided the name of the person to be appointed, or to select a representative of the Monitor as its proxyholder. If no proxyholder is selected, the General Creditor will be deemed to have appointed any officer of Ernst & Young Inc., in its capacity as Monitor, or such other person as Ernst & Young Inc. may designate, as proxyholder of the General Creditor, with full power of substitution, to attend, vote and otherwise act for on behalf of the General Creditor at the General Creditor Class Meeting to be held in connection with the Plan and at any and all adjournment(s), postponement(s) or other rescheduling(s) thereof.

6. Please read and follow these instructions carefully. Your completed Proxy must actually be received (i) by the Monitor at Ernst & Young Inc., Monitor of Connacher Oil and Gas Limited, Calgary City Centre, 2200-215 2nd Street SW, Calgary, Alberta

T2P 1M4 (Attention: Jose Aldana Herbas), email: connacher.monitor@ca.ey.com prior to 5:00 p.m. two business days before the Creditors' Meetings (or any adjournment, postponement or rescheduling thereof). Proxies can be sent to the Monitor at the mailing address or email address listed above. If your Proxy is not received by the Proxy Deadline, unless such time is extended, your Proxy will be disregarded and not counted.

7. Sign the Proxy - your signature is required on the Proxy to appoint a proxyholder and vote at the General Creditor Class Meeting. If you are completing the Proxy as a duly authorized representative of a corporation or other entity, indicate your relationship with such corporation or other entity and the capacity in which you are signing, and if subsequently requested, provide proof of your authorization to so sign. In addition, please provide your name, mailing address, telephone number and e-mail address.

8. If you need additional Proxies, please immediately contact the Monitor.

9. If multiple Proxies are received from the same person with respect to the same Claims prior to the Proxy Deadline, the latest dated, validly executed Proxy that is timely received by the Monitor will supersede and revoke any earlier received Proxy. However, if a holder of Claims casts Proxies received by the Monitor dated with the same date, but which are voted inconsistently, such Proxies will be disregarded and not counted. If a Proxy is not dated in the space provided, it shall be deemed dated as of the date it is received by the Monitor.

10. If a General Creditor validly submits a Proxy to the Monitor and subsequently attends the General Creditor Class Meeting and votes in person inconsistently, such General Creditor's vote at the General Creditor Class Meeting will supersede and revoke the earlier received Proxy.

11. If a General Creditor who holds General Creditor Claims other than Second Lien Deficiency Claims submits Voting Instructions and a General Creditors Proxy with inconsistent votes on the Plan, their vote in respect of their entire General Creditor Claim shall be discarded.

12. Proxies may be accepted for purposes of an adjourned, postponed or other rescheduled Creditors' Meeting if received by the Monitor by the Proxy Deadline.

13. Any Proxy that is illegible or contains insufficient information to permit the identification of the claimant will not be counted.

14. After the Proxy Deadline, no Proxy may be withdrawn or modified, except by a General Creditor voting in person at the General Creditor Class Meeting, without the prior consent of the Monitor and the Applicant.

If you have any questions regarding this Proxy or the voting procedures, or if you need an additional copy or additional copies of the enclosed materials, please contact the Monitor at connacher.monitor@ca.ey.com or visit the Monitor's Website at www.ey.com/ca/connacheroilandgas.

SCHEDULE "F"

FORM OF DISTRIBUTION ELECTION NOTICE

TO: ERNST & YOUNG INC., in its capacity as Monitor of Connacher Oil and Gas Limited (the "Monitor")

WITH A COPY TO: Connacher Oil and Gas Limited (the "Applicant")

Reference is made to the Plan of Compromise and Arrangement of the Applicant dated May 6, 2019 made pursuant to the *Companies' Creditors Arrangement Act* (Canada) (as may be further amended, restated or supplemented from time to time, the "**Plan**").

Capitalized terms used herein and not defined herein have the same meaning given to them in the Plan.

The undersigned is a General Creditor and, excluding any Second Lien Deficiency Claim, has a General Creditor Claim against the Applicant in excess of $2,000 being, in particular, the amount of $__________________.

Pursuant to Section 5.5(b) of the Plan, the undersigned hereby elects to receive in full and final satisfaction of its General Creditor Claim against the Applicant $2,000 and hereby notifies the Applicant and the Monitor of such election.

The undersigned acknowledges that in delivering this election, it will be deemed to vote in favour of the Plan.

If the undersigned does not deliver a valid Distribution Election Notice prior to the Distribution Election Deadline, the undersigned will only be entitled to receive its pro rata share of $500,000, up to the amount of its Accepted Claim, if any, and shall be required to attend at the Creditors' Meeting of General Creditors, in person or by proxy to cast its vote on the Plan.

The undersigned acknowledges that this election will be final and irrevocable once delivered to the Monitor.

DATED at ________________ this ________ day of ________________, 2019.

AFFECTED CREDITOR'S SIGNATURE:

____

(Print Legal Name of Affected Creditor)

____

(Print Legal Name of Assignee, if applicable)

____

Signature of Witness

(Signature of the Affected Creditor/Assignee or an Authorized Signing Officer of the General

Creditor/Assignee)

Print Name of Witness

(Print Name and Title of Authorized Signing Officer of the Affected Creditor/Assignee, if applicable)

(Mailing Address of the Affected Creditor/Assignee)

(Telephone Number and E-mail of the Affected Creditor/Assignee or Authorized Signing Officer of the Affected Creditor/Assignee)

Note: To be valid, this Distribution Election Notice must be received by the Monitor before 5:00 p.m. (Calgary time) on June 17, 2019, or two business days prior to any adjournment of the Creditors' Meetings.

SCHEDULE "G"

FORM OF BENEFICIAL NOTEHOLDERS NOTICE OF CREDITORS' MEETINGS AND SANCTION HEARING

BENEFICIAL NOTEHOLDERS NOTICE OF CREDITORS' MEETINGS AND SANCTION HEARING

TO: The Beneficial Noteholders of Connacher Oil and Gas Limited (the "**Applicant**")

NOTICE IS HEREBY GIVEN that a meeting of the First Lien Lenders Class and a meeting of the General Creditors Class will be held on June 19, 2019 at 11:30 a.m. (Calgary time) and 11:45 a.m. (Calgary time), respectively, at the offices of:

Cassels Brock & Blackwell LLP
Suite 3810, Bankers Hall West
888-3rd Street SW
Calgary, Alberta

(the "**Creditors' Meetings**") for the following purposes:

1. to consider and, if deemed advisable, to pass, with or without variation, resolutions of the First Lien Lender Class and the General Creditor Class (each a "**Resolution**") approving the Plan of Compromise and Arrangement of the Applicant pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") dated May 6, 2019 (as may be further amended, restated, varied, modified and/or supplemented from time to time in accordance with the terms thereof, the "**Plan**"); and

2. to transact such other business as may properly come before either of the Creditors' Meetings or any adjournment or postponement thereof.

The Creditors' Meetings are being held pursuant to an order (the "**Creditors Meetings Order**") of the Court of Queen's Bench of Alberta (the "**Court**") made on May 16, 2019.

Capitalized terms used and not otherwise defined in this Notice have the respective meanings given to them in the Plan or the 2019 Creditors' Meetings Order.

The Plan

The Plan contemplates the compromise of the Claims of the Affected Creditors. The 2019 Creditors' Meetings Order has established that quorum for the Creditors' Meetings is the presence, in person or by proxy, (i) at the meeting of the First Lien Lenders Class one Beneficial First Lien Lender with an Accepted Claim and (ii) at the meeting of the General Creditors Class (the "**General Creditor Class Meeting**"), one General Creditor with an Accepted Claim.

In order for the Plan to be approved and binding in accordance with the CCAA, the applicable Resolution must be approved by a required majority of Affected Creditors with Accepted Claims in each of the First Lien Lender Class and the General Creditor Class who validly vote in person or by proxy, or were deemed to do so, at the Creditors' Meetings.

With the exception of Beneficial Noteholders, for whom different voting procedures apply, as set out below, each Affected Creditor with a Voting Claim will be entitled to vote at the applicable Creditors' Meeting(s) in accordance with the 2019 Creditors' Meetings Order. If the Plan is approved in each of the Creditors' Meetings, the Plan must then be sanctioned by the Court before it can be implemented. Subject to Court sanction and the satisfaction of the other conditions precedent to implementation of the Plan, all Affected Creditors will then receive the treatment set forth in the Plan.

Voting Instructions for Beneficial Noteholders

A Beneficial Noteholder may vote at the General Creditor Class Meeting by following the procedures outlined in the Information Circular. In order for a Beneficial Noteholder to vote at the General Creditor Class Meeting, a Beneficial Noteholder must deliver Voting Instructions specifying their vote FOR or AGAINST the Plan. Beneficial Noteholders cannot vote by proxy in respect of their Second Lien Deficiency Claim.

Only Beneficial Noteholders who were Beneficial Noteholders at 5:00 p.m. (Calgary time) on May 16, 2019 (the "**Second Lien Notes Record Date**") are entitled to vote as General Creditors for the purposes of the General Creditor Class Meeting.

Beneficial Noteholders should promptly contact their Participant Holder and obtain and follow their Participant Holder's instructions with respect to the applicable voting procedures and deadlines, which may be earlier than the deadlines that are applicable to other Affected Creditors. **It should be noted that the only way for a Beneficial Noteholder to vote is to provide Voting Instructions and disclose the Beneficial Noteholder information to the applicable Participant Holder who will aggregate Voting Instructions and deliver a Master Proxy to the Solicitation and Information Agent. No other voting channel will be available and no other form of proxy will be used to vote the Second Lien Deficiency Claims held by Beneficial Noteholders.**

Beneficial Noteholders who wish to vote must deliver their Voting Instructions to their Participant Holder prior to the deadline set by the Participant Holder. Beneficial Noteholders who wish to make a Distribution Election in respect of their Second Lien Deficiency Claim shall follow the procedures set out in the Voting Information and Election Form. Under no circumstances should any person deliver Second Lien Notes or evidences of interests in Second Lien Notes to the Applicant, the Monitor, the Second Lien Trustee, or the Solicitation and Information Agent.

Beneficial Noteholders who hold General Creditor Claims other than Second Lien Deficiency Claims are instructed to complete a General Creditors Proxy in order to vote the amount of such General Creditor Claims. Please refer to the form of General Creditors Proxy provided to you for further instructions. If a Beneficial Noteholder who holds General Creditor Claims other than Second Lien Deficiency Claims submits Voting Instructions and a General Creditors Proxy with inconsistent votes on the Plan, their vote in respect of their entire General Creditor Claim shall be disregarded and not counted.

Any requests for assistance relating to the procedure for delivering Voting Instructions or if you wish to attend the General Creditor Class Meeting in person may be directed to the Solicitation and Information Agent at the following address:

Kingsdale Advisors
The Exchange Tower
130 King Street West, Suite 2950
P.O. Box 361
Toronto, ON
M5X 1E2

Phone: 416-867-2272
North American Toll Free: 1-888-642-3150
Email: contactus@kingsdaleadvisors.com

Sanction Hearing

NOTICE IS ALSO HEREBY GIVEN that if the Plan is approved at each of the Creditors' Meetings, the Applicant intends to bring an application before the Court on June 20, 2019 at 10:00 a.m. (Calgary time) or such later date as may be posted on the Monitor's website, at the Court located at Calgary Courts Centre, 601 5 Street SW, Calgary, Alberta.

The application seeks and order sanctioning the Plan under the CCAA and ancillary relief consequent upon such sanction. Any Affected Creditor that wishes to oppose the sanctioning of the Plan must serve on the Applicant, the Monitor and the service list for the Applicant's CCAA proceeding a notice setting out the basis for such opposition and a copy of the materials to be used to oppose the application by no later than 5:00 p.m. on the date that is seven (7) Business Days prior to the Sanction Hearing Date.

A copy of the service list may be obtained from the Monitor's website at www.ey.com/ca/connacheroilandgas together with copies of other materials related to this process.

This Notice is given by the Applicant pursuant to the 2019 Creditors' Meetings Order.

DATED this 16th day of May, 2019.

SCHEDULE "H"

FORM OF VOTING INFORMATION AND ELECTION FORM FOR BENEFICIAL NOTEHOLDERS

PLEASE NOTE: This Voting Information and Election Form outlines information that Beneficial Noteholders are required to provide to their Participant Holders in order to vote and, if desired, make a Distribution Election. Each Participant Holder will have its own procedures for collecting instructions from Beneficial Noteholders. Beneficial Noteholder must confirm these instructions with their Participant Holder. This form is not a proxy but rather sets out the available instructions a Beneficial Noteholder may give its Participant Holder.

*The Voting Instruction and Election Form to be **distributed to Beneficial Noteholders** in accordance with the order (the **"2019 Creditors' Meetings Order") of the Court** of Queen's Bench of Alberta (the "Court") made on May 16, **2019 shall include** the **information** substantially as set forth in this Voting and Information Election Form.*

Capitalized terms used, but not defined herein, shall have the meanings given to them in the 2019 Creditors' Meetings Order.

Beneficial Noteholders who wish to vote in respect of their Second Lien Deficiency Claim must deliver their voting instructions ("**Voting Instructions**") to their CDS Clearing and Depository Services Inc., ("**CDS**") or The Depository Trust Company ("**DTC**") intermediary institution ("**Participant Holder**") prior to the deadline set by the Participant Holder. Under no circumstances should any person deliver Second Lien Notes or evidences of interests in Second Lien Notes to the Applicant, the Monitor, the Second Lien Trustee, or the Solicitation and Information Agent. Beneficial Noteholders should not deliver a form of Proxy with respect to their Second Lien Deficiency Claim.

Any requests for assistance relating to the procedure for delivering Beneficial Noteholder Voting Instructions may be directed to the Solicitation and Information Agent at the following address:

Kingsdale Advisors
The Exchange Tower
130 King Street West, Suite 2950
P.O. Box 361
Toronto, ON
M5X 1E2

Phone: 416-867-2272
North America Toll Free: 1-888-642-3150
Email: contactus@kingsdaleadvisors.com

Beneficial Noteholders are required to provide their Voting Instructions in each case prior to the Beneficial Noteholder Voting and Election Deadline, being June 17, 2019 (or such earlier date as your Participant Holder may establish).

Voting Instructions

Beneficial Noteholders with Voting Claims equal to or less than $2,000 shall be entitled to make the following election:

☐ Make a Distribution Election, which will be accompanied by a vote **FOR** the approval of the Plan submitted by Master Proxy from your Participant Holder.

*Beneficial Noteholders with Voting Claims equal to or less than $2,000 (and who return voting instructions and identifying information) shall be required to make a Distribution Election and to vote **FOR** the approval of the Plan.*

Beneficial Noteholders with Voting Claims greater than $2,000 shall be entitled to make the following elections. Please select one.

- ☐ Make a Distribution Election, which will be accompanied by a vote **FOR** the approval of the Plan submitted by Master Proxy from your Participant Holder.
- ☐ Do not make a Distribution Election, and vote **FOR** the approval of the Plan.
- ☐ Do not make a Distribution Election, and vote **AGAINST** the approval of the Plan.
- ☐ Do not make a Distribution Election, and take no voting action.

Distribution Election

If you elect to make a Distribution Election, please complete the following section.

Reference is made to the Plan of Compromise and Arrangement of the Applicant dated May 6, 2019 made pursuant to the *Companies' Creditors Arrangement Act* (Canada) (as may be further amended, restated, varied, modified and/or supplemented from time to time, the "**Plan**").

Capitalized terms used herein and not defined herein have the same meaning given to them in the Plan.

The undersigned is a Beneficial Noteholder and has an Pro Rata Share of the Second Lien Deficiency Claim against the Applicant in excess of $2,000 being, in particular, the amount of $__________________.

Pursuant to Section 5.5(b) of the Plan, the undersigned hereby elects to receive in full and final satisfaction of its Second Lien Deficiency Claim against the Applicant $2,000 and hereby notifies the Applicant and the Monitor of such election.

The undersigned acknowledges that in delivering this election, it will submit a vote in favour of the Plan.

If the undersigned does not make a Distribution Election or identify itself as a Second Lien Noteholder with a total claim less than $2,000, the undersigned will only be entitled to receive its Pro Rata Share of the General Creditor Pool.

The undersigned acknowledges that this election will be final and irrevocable once delivered to the Monitor.

DATED at ________________ this ________ day of ________________, 2019.

BENEFICIAL NOTEHOLDER'S SIGNATURE:

____

(Print Legal Name of Affected Creditor)

(Print Legal Name of Assignee, if applicable)

Signature of Witness	(Signature of the Affected Creditor/Assignee or an Authorized Signing Officer of the General Creditor/Assignee)
Print Name of Witness	(Print Name and Title of Authorized Signing Officer of the Affected Creditor/Assignee, if applicable)
	(Mailing Address of the Affected Creditor/Assignee)
	(Telephone Number and E-mail of the Affected Creditor/Assignee or Authorized Signing Officer of the Affected Creditor/Assignee)

SCHEDULE "I"

FORM OF SHAREHOLDER NOTICE

PRESS RELEASE

Connacher Announces Meetings of Creditors and Approval of Amended and Restated Support Agreement

Calgary, Alberta; Connacher Oil and Gas Limited ("**Connacher**" or the "**Company**") announced today that its plan of compromise and arrangement dated May 6, 2019 (the "**Plan**") has been accepted for filing by the Court of Queen's Bench of Alberta (the "**Court**") in connection with the Company's restructuring proceedings under the *Companies' Creditors Arrangement Act* (the "**CCAA**").

In connection with the filing of the Plan, the Court has granted: (i) an order (the "**Amended and Restated Support Agreement Approval Order**"), *inter alia*, approving and authorizing the Company's entry into the Amended and Restated Support Agreement dated May 6, 2019 (the "**Amended and Restated Support Agreement**") among the Company, the Consenting First Lien Lenders and the First Lien Agent, and approving a key employee retention plan for certain of the Company's key employees to incentivize them to remain with the Company through the successful completion of the transactions contemplated by the Amended and Restated Support Agreement and beyond emerge from CCAA protection; and (ii) and order (the "**2019 Creditors' Meetings Order**") authorizing meetings of the Company's creditors to be held on June 19, 2019 to consider approval of the Plan.

Ernst & Young Inc. is overseeing the Company's CCAA proceeding as the court-appointed Monitor (the "**Monitor**"). Terms not otherwise defined herein have the meanings provided for in the Plan, which is available on the Monitor's website at www.ey.com/ca/connacheroilandgas (the "**Website**").

The Plan

The Amended and Restated Support Agreement Approval Order contains a provision approving the Company's execution and delivery of the Amended and Restated Support Agreement and authorizes the Company to take all steps and to comply with its obligations thereunder. The Company is now preparing to implement the terms of the Amended and Restated Support Agreement, including its preparations for the Creditors' Meetings (as defined below).

The Plan provides that, subject to the terms and conditions set out therein, the Consenting First Lien Lenders will exchange a portion of the first lien obligations owed to them for 100% of the equity interests in the Company and new senior secured debt. The Plan provides for payments and distributions to the Company's affected creditors with proven claims from the Plan Implementation Fund to be funded from the Company's cash on hand.

As the claims of affected creditors will be compromised under the Plan and affected creditor claims will not be paid in full, no value will accrue to Connacher's shareholders as a result of the implementation of the Plan and the outstanding shares and options of Connacher will be cancelled for no consideration and without any vote of the existing shareholders.

The above description is a summary only and is subject to the final provisions of the Plan.

Creditors' Meetings

Voting by Affected Creditors

The Plan contemplates two classes of creditors: (i) a class of the Company's first lien lenders (the "**First Lien Lender Class**"); and (ii) a class (the "**General Creditor Class**") comprised of all other affected creditors, other than holders of certain priority claims and holders of equity claims in the

Company (each, a "**General Creditor**"). The first lien lenders will vote in both the First Lien Lender Class and, with respect to their deficiency claims, in the General Creditor Class.

The Court has ordered a meeting of the First Lien Lender Class and a meeting of the General Creditor Class to take place on June 19, 2019 at 11:30 a.m. and 11:45 a.m. (Calgary time) (together, the "**Creditors' Meetings**"), respectively, at the offices of the Company's legal counsel, Cassels Brock & Blackwell LLP, Suite 3810, Bankers Hall West, 888 3rd Street SW, Calgary, Alberta. The purpose of the Creditors' Meetings will be to consider and, if deemed advisable, to pass, with or without variation, resolutions approving the Plan.

To become effective under the CCAA, the Plan must be submitted to meetings of each class of creditors and each class must approve the Plan by a majority in number representing at least two thirds in value of the voting claims of creditors who actually vote (in person or by proxy) at each of the Creditors' Meetings. The Creditors' Meetings will be conducted pursuant to the 2019 Creditors' Meetings Order granted by the Court on May 16, 2019.

No Voting by Equity Claims

The Plan provides that all existing shares and related equity instruments and claims of Connacher (collectively, the "Equity Claims") will be cancelled and extinguished for no consideration and without any return of capital. Holders of Equity Claims will not be entitled to attend or vote at the Creditors' Meetings.

Sanction Hearing

If the Plan is approved at the Creditors' Meetings, Connacher intends to bring an application (the "**Sanction Hearing**") before the Court on June 20, 2019 at 10:00 a.m. (Calgary time) or such later date as may be posted on the Website, at the Court located at Calgary Courts Centre, 601 5 Street SW, Calgary, Alberta.

At the Sanction Hearing, Connacher will be seeking the granting of an order sanctioning the Plan under the CCAA and for ancillary relief consequent upon such sanction. Any objections to the Sanction Hearing must be served on Connacher, the Monitor and the service list no later than 5:00 p.m. on the date that is seven business days prior to the Sanction Hearing.

Notification of Voting Process

Forthwith after the granting of the 2019 Creditors' Meetings Order, the Monitor will send meeting materials to (i) the first lien agent for distribution to each beneficial first lien lender, and (ii) to each General Creditor (other than first lien lenders and second lien noteholders), at the address set out in such General Creditor's proof of claim. The meeting materials include a notice of the applicable Creditors' Meeting(s), an information circular (the "**Circular**"), and a form of proxy. The Monitor has posted a copy of the meeting materials, including the Circular, on the Website.

Detailed instructions as to how affected creditors can vote in advance of, or, with the exception of beneficial holders of second lien notes ("**Beneficial Noteholders**"), at the applicable Creditors' Meeting(s) are set out in the Circular. Except for certain excepted affected creditors, as detailed in the Circular, an affected creditor may, generally, attend at the applicable Creditors' Meeting(s) in person or may appoint another person as its proxyholder to attend the meeting on their behalf.

Special procedures apply to voting by Beneficial Noteholders and are set out in the Circular and a Beneficial Noteholder may vote at the General Creditor Class meeting by following these procedures.

Beneficial Noteholders should promptly contact the institution holding their second lien notes (each, a "Participant Holder") and obtain and follow their Participant Holder's instructions with respect to the applicable voting procedures and deadlines, which may be earlier than the deadlines that are applicable to other affected creditors. It should be noted that the only way for a Beneficial Noteholder to vote is to provide voting instructions and disclose the Beneficial Noteholder's information to the applicable Participant Holder. No other voting channel will be available and no other form of proxy will be used to vote the second lien deficiency claims held by Beneficial Noteholders.

Any requests for assistance relating to the procedure for delivering voting instructions or if you wish to attend the General Creditor Class meeting in person may be directed to Kingsdale Advisors (the "Solicitation and Information Agent") at the following address:

Kingsdale Advisors
The Exchange Tower
130 King Street West, Suite 2950
P.O. Box 361
Toronto, ON
M5X 1E2

Phone: 416-867-2272
North American Toll Free: 1-888-642-3150
Email: contactus@kingsdaleadvisors.com

Additional Information

The above description is a summary only and is subject to the express terms of the orders and documents described herein. A copy of the 2019 Creditors' Meetings Order and all related CCAA materials can be found on the Website and will be filed under the Company's profile on www.sedar.com.

About Connacher

Connacher is a Calgary-based in situ oil sands developer, producer, and marketer of bitumen. The Company's principal asset is a 100 per cent interest in the Company's Great Divide oil sands leases near Fort McMurray, Alberta. The Company operates two steam-assisted gravity drainage facilities at these oil sands leases.

This press release contains forward looking information including, but not limited to the status of the Creditors Meetings, the implementation of the Plan, the transactions contemplated by the Amended and Restated Support Agreement and the Company's CCAA proceedings.

Forward looking information is based on management's expectations regarding the voting of creditors at the Creditors Meetings, the implementation of the Plan and the completion of the credit-bid transaction contemplated by the Amended and Restated Support Agreement in the event the Plan is not implemented. Forward looking information involves significant known and unknown risks and uncertainties, which could cause actual results to differ materially from those anticipated. These risks include, but are not limited to: that the Company may not obtain required creditor, regulatory and Court approvals required to successfully implement the Plan or the Credit Bid Transaction; that the Company may not be able to prevent third parties from obtaining court orders or approvals that are contrary to the Company's interests, risks relating to the future co-operation of the creditors of the Company, including but not limited to the agreements of certain creditors to vote in favour of the Plan, as well as the risks associated with conducting business in the oil and gas industry (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve and resource estimates; the uncertainty of geological interpretations; the uncertainty of estimates and projections relating to production, costs and expenses; and health, safety and environmental risks), risk of commodity price and foreign exchange rate fluctuations, risks associated with the impact of general economic conditions, risks and uncertainties associated with maintaining the necessary regulatory approvals and securing the financing to continue operations and increase production to levels previously achieved.

Although Connacher believes that the expectations in such forward looking information are reasonable, there can be no assurance that such expectations shall prove to be correct. Any forward looking information included in this press release is expressly qualified in its entirety by this cautionary statement. Any forward looking information included herein is made as of the date of this press release and Connacher assumes no obligation to update or revise any forward looking information to reflect new events or circumstances, except as required by law.

Contact

Merle Johnson
Chief Executive Officer

Jeff Beeston
Chief Financial Officer

Connacher Oil and Gas Limited
Phone: (403) 538-6201
Fax: (403) 538-6225
Suite 1040, 640 - 5th Avenue SW
Calgary, Alberta T2P 3G4
inquiries@connacheroil.com
www.connacheroil.com

SCHEDULE "J"

FORM OF NEWSPAPER NOTICE

IN THE MATTER OF THE CCAA PROCEEDING OF CONNACHER OIL AND GAS LIMITED (the "APPLICANT")

NOTICE IS HEREBY GIVEN that Connacher Oil and Gas Limited (the "**Applicant**") has filed with the Court of Queen's Bench of Alberta (the "**Court**") an plan of compromise and arrangement dated May 6, 2019 (as may be further amended, restated, varied, modified and/or supplemented from time to time in accordance with the terms thereof, the "**Plan**") pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**").

You can view copies of the documents relating to this process, including the Plan and applicable proxy forms on the following website (the "**Website**"): www.ey.com/ca/connacheroilandgas.

Creditors' Meetings

NOTICE IS HEREBY GIVEN that a meeting of the First Lien Lenders Class and a meeting of the General Creditors Class will be held on June 19, 2019 at 11:30 a.m. (Calgary time) and 11:45 a.m. (Calgary time), respectively, at the offices of:

Cassels Brock & Blackwell LLP
Suite 3810, Bankers Hall West
888-3rd Street SW
Calgary, Alberta

(the "**Creditors' Meetings**") for the following purposes:

1. to consider and, if deemed advisable, to pass, with or without variation, resolutions of the First Lien Lender Class and the General Creditor Class (each a "**Resolution**") approving the Plan; and

2. to transact such other business as may properly come before either of the Creditors' Meetings or any adjournment or postponement thereof.

The Creditors' Meetings are being held pursuant to an order (the "**Creditors Meetings Order**") of the Court made on May 16, 2019.

Capitalized terms used and not otherwise defined in this Notice have the respective meanings given to them in the Plan or the 2019 Creditors' Meetings Order, copies of which are can be viewed on the Website.

The Plan

The Plan contemplates the compromise of the Claims of the Affected Creditors. The 2019 Creditors' Meetings Order has established that quorum for the Creditors' Meetings is the presence, in person or by proxy, (i) at the meeting of the First Lien Lenders Class one Beneficial First Lien Lender with an Accepted Claim and (ii) at the meeting of the General Creditors Class one General Creditor with an Accepted Claim.

In order for the Plan to be approved and binding in accordance with the CCAA, the applicable Resolution must be approved by a required majority of Affected Creditors with Accepted Claims in each of the First Lien Lender Class and the General Creditor Class who validly vote in person or by proxy, or were deemed to do so, at the Creditors' Meetings.

Each Affected Creditor with a Voting Claim will be entitled to vote at the applicable Creditors' Meeting(s) in accordance with the 2019 Creditors' Meetings Order. If the Plan is approved in each of the Creditors' Meetings, the Plan must then be sanctioned by the Court. Subject to the satisfaction of the other conditions precedent to implementation of the Plan, all Affected Creditors will then receive the treatment set forth in the Plan.

Forms and Proxies for Affected Creditors

An Affected Creditor, other than a Beneficial Noteholder, may attend at the applicable Creditors' Meeting(s) in person or may appoint another person as its proxyholder by duly completing and submitting to the Monitor the form of First Lien Lenders Proxy or General Creditors Proxy (collectively, the "**Proxies**"), as applicable.

In order to be effective, Proxies must be received by the Monitor at Ernst & Young Inc., Calgary City Centre, 2200-215 2nd Street SW, Calgary, Alberta T2P 1M4 (Attention: Jose Aldana Herbas), email: connacher.monitor@ca.ey.com prior to 5:00 p.m. two business days before the Creditors' Meetings. Persons appointed as proxyholders need not be Affected Creditors.

If an Affected Creditor at the applicable Creditors' Meeting specifies a vote on the Plan in their Proxy, the Proxy will be voted in accordance with the specification so made. In absence of such specification, a Proxy will be voted FOR the Resolution provided that the proxyholder does not otherwise exercise its right to vote at the applicable Creditors' Meeting(s).

Sanction Hearing

NOTICE IS ALSO HEREBY GIVEN that if the Plan is approved at each of the Creditors' Meetings, the Applicant intends to bring an application before the Court on June 20, 2019 at 10:00 a.m.(Calgary time) or such later date as may be posted on the Monitor's Website, at the Court located at Calgary Courts Centre, 601 5 Street SW, Calgary, Alberta.

The application seeks an order sanctioning the Plan under the CCAA and ancillary relief consequent upon such sanction. Any Affected Creditor that wishes to oppose the sanctioning of the Plan must serve on the Applicant, the Monitor and the service list for the Applicant's CCAA proceeding a notice setting out the basis for such opposition and a copy of the materials to be used to oppose the application by no later than 5:00 p.m. on the date that is seven (7) Business Days prior to the Sanction Hearing Date.

A copy of the service list may be obtained from the Monitor's Website at www.ey.com/ca/connacheroilandgas together with copies of other materials related to this process.

This Notice is given by the Applicant pursuant to the 2019 Creditors' Meetings Order.

DATED this 16th day of May, 2019.

SCHEDULE "K"

FORM OF INSURED CLAIM OPTION NOTICE

TO: ERNST & YOUNG INC., in its capacity as Monitor of Connacher Oil and Gas Limited (the "Monitor")

WITH A COPY TO: Connacher Oil and Gas Limited (the "Applicant")

Reference is made to the Plan of Compromise and Arrangement of the Applicant dated May 6, 2019 made pursuant to the *Companies' Creditors Arrangement Act* (Canada) (as may be further amended, restated or supplemented from time to time, the "**Plan**").

Capitalized terms used herein and not defined herein have the same meaning given to them in the Plan.

The undersigned is an Affected Creditor holding a Claim in the amount of $_________________. The undersigned hereby elects to pursue the entirety of its Claim as an Insured Claim against the relevant insurer and hereby irrevocably waives any right to pursue its Claim or any part thereof against the Applicant or any other Released Party, and waives any right or entitlement to a distribution under the Plan. The undersigned acknowledges and agrees that neither the Applicant nor the Monitor has made any representation or warranty to it that an Insured Claim exists or is recoverable in any way from any policy of insurance.

The undersigned acknowledges that this election will be final and irrevocable once delivered to the Monitor.

DATED at _________________ this ________ day of _________________, 2019.

AFFECTED CREDITOR'S SIGNATURE:

____

(Print Legal Name of Affected Creditor)

____

(Print Legal Name of Assignee, if applicable)

Signature of Witness	(Signature of the Affected Creditor/Assignee or an Authorized Signing Officer of the General Creditor/Assignee)
Print Name of Witness	(Print Name and Title of Authorized Signing Officer of the Affected Creditor/Assignee, if applicable)

____

(Mailing Address of the Affected Creditor/Assignee)

____

(Telephone Number and E-mail of the Affected Creditor/Assignee or Authorized Signing Officer of the Affected Creditor/Assignee)

Note: To be valid, this Insured **Claim Option Notice must be received by the Monitor** before 5:00 p.m. (Calgary time) **on June 17, 2019.**

SCHEDULE "L"

FORM OF MASTER PROXY

IN THE MATTER OF THE PROPOSED PLAN OF COMPROMISE AND ARRANGEMENT OF CONNACHER OIL AND GAS LIMITED

MASTER PROXY

12% Convertible Notes due August 31, 2018
CUSIP: 20588YAJ2 / C2627NAG0
ISIN: US20588YAJ29 / USC2627NAG00

Second Lien Notes Record Date: 5:00 p.m. (Calgary Time) on May 16, 2019

Beneficial Noteholder Voting and Election Deadline: 5:00 p.m. (Calgary Time) on June 17, 2019, (or such earlier date as a Participant Holder may establish) or 2 business days prior to any adjournment of the Creditors' Meetings.

Defined terms used and not otherwise defined herein have the meanings ascribed to them in the Information Circular of Connacher Oil and Gas Limited ("**Connacher**") dated May 16, 2019 relating to a meeting of holders of 12% Convertible Notes due August 31, 2018 (the "**Second Lien Notes**") issued by Connacher.

INSTRUCTIONS: Participant Holders holding the above-referenced security through DTC should complete this Master Proxy on their own behalf or on behalf of the Beneficial Noteholders for whom they hold the Second Lien Notes as of the Second Lien Notes Record Date, and return this Master Proxy to Kingsdale Advisors, in its capacity as the Solicitation and Information Agent as soon as practical following the Voting and Election Deadline and by no later than 5:00 p.m. on June 18, 2019.

Second Lien Noteholder Voting Instructions either for or against approval of Connacher's Plan of Compromise and Arrangement dated May 6, 2019 (as may be further amended, restated, varied, modified and/or supplemented from time to time, the "**Plan**") must be aggregated by Participant Holders outside of DTC on this Master Proxy and submitted to and tabulated by the Solicitation and Information Agent.

In addition, for the purposes of determining eligibility to receive Distribution Elections and to calculate the number of creditors voting on the Plan, Beneficial Noteholders must provide and agree to disclose their identity and aggregate amount of Second Lien Notes held.

For clarity, only the Voting Instructions submitted by Participant Holders to the Solicitation Agent will count for the purposes of the vote on the Plan and submission of instructions via DTC will not constitute a vote for the Plan.

Beneficial Noteholders of Second Lien Notes held through a Participant Holder (such as a bank, broker or other intermediary) should not use this Master Proxy.

FOR ASSISTANCE IN COMPLETING THIS FORM OR FOR ADDITIONAL MATERIALS, PLEASE CONTACT KINGSDALE ADVISORS, IN ITS CAPACITY AS SOLICITATION AND INFORMATION AGENT, AT 416-867-2272 OR TOLL-FREE AT 1-888-642-3150.

It is the sole and exclusive responsibility of Beneficial Noteholders to ensure that their instructions are properly submitted by the Participant Holder and to Kingsdale Advisors on or before the applicable deadlines set forth in the Information Circular. The Company will bear no responsibility for failure of a Beneficial Noteholder or a Participant Holder to deliver the voting instructions to Kingsdale Advisors prior to the deadlines set out in the Information Circular.

THE PARTICIPANT HOLDER, in its capacity as such, hereby revokes all proxies previously given in respect of the Plan (other than a proxy given in a capacity other than as a Participant Holder) and hereby votes the amounts set forth below in accordance with the 2019 Creditors' Meetings Order:

Beneficial Noteholder Name and Contact Information	Principal Amount Held by Beneficial Noteholder	Votes FOR the Resolution	Votes AGAINST the Resolution	Beneficial Noteholder has made a Distribution Election – Include VOI number

(attach additional sheets if required)

By signing below, the Participant Holder hereby certifies that: (i) the information above is a true and accurate list of Second Lien Notes held by the Participant Holder's Beneficial Noteholders as of the Beneficial Noteholder Voting and Election Deadline who have delivered voting instructions to the undersigned Participant Holder, and (ii) the undersigned Participant Holder is the holder, through a position held at DTC, of the Second Lien Notes that are represented by this Master Proxy.

DATED at __________________ this _____ day of __________________, 2019.

____
(DTC PARTICIPANT NUMBER)

____
(PRINT NAME OF DTC PARTICIPANT)

____
(PRINT NAME OF AUTHORIZED EMPLOYEE CONTACT)

____
(TITLE)

____
(TELEPHONE NUMBER & EMAIL)

X____
(SIGNATURE)

MEDALLION STAMP BELOW

Master Proxies need to be delivered to Kingsdale Advisors, by the following options:

Email to: corpaction@kingsdaleadvisors.com **(Attn: Connacher Oil and Gas Limited Proxy - DTC Participant Number);**

Fax: to either (866) 545-5580 or (416) 867-2271

You must ensure your scan is completed in colour to ensure visibility of the medallion. Black and white copies will not be accepted;

Mail to: **Kingsdale Advisors**
The Exchange Tower
130 King Street West, Suite 2950,
P.O. Box 361,
Toronto, Ontario, M5X 1E2,

in each case such that it is received by no later than 5:00 p.m. on June 18, 2019 (or such other date as may be announced).

DELIVERY OF THIS MASTER PROXY OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE VALID DELIVERY.

Copies of this and other documents should be retained for your files.

The Court has ordered that you verify each Beneficial Noteholder's Voting Instructions and include the amounts of their holdings and their identity on the Master Proxy for delivery to the Solicitation and Information Agent as soon as practical following the Beneficial Noteholder Voting and Election Deadline and in any event by no later than 5:00p.m. on June 18, 2019 or as announced in the event of an adjournment of the Creditors' Meeting of General Creditors.

Connacher and the Monitor may use reasonable discretion as to the adequacy of compliance with respect to the manner in which any forms are completed and executed and the time in which they are submitted and may waive strict compliance with the requirements of the 2019 Creditors' Meetings Order including with respect to the completion, execution and time of delivery of required forms.