

ANNUAL LEASE INFORMATION FOR TRIPLE HORSEPOWER

PARCEL 1: SW-36-51-19-W4TH

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PARCEL 2: NW-25-51-19-W4TH

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PARCEL 3: NE-25-51-19-W4TH

LONG RUN EXPLORATION LTD.

File No.: S13741

Surface Lease dated: October 1, 1962

\$ 2,500.00

**see note*

*Please note the well currently has a suspended status. The next step would be abandonment and then reclamation. We have been advised by Long Run Exploration Ltd. that "at this time, there is no schedule for this to occur."

We were further advised that "Run Exploration is in CCAA. The company is currently for sale and hoping to have new ownership in place sometime in the new year. Until then, some payments have been placed on hold.

On July 4, 2024 (the "Filing Date"), Long Run Exploration Ltd. ("Long Run") sought and obtained an initial order (the "Initial Order") from the Court of the King's Bench of Alberta (the "Court") under the Companies' Creditors Arrangement Act R.S.C. 1985, c. C-36, as amended ("CCAA"). The Initial Order provides, among other things, a stay of proceedings (the "Stay Period") which may be extended from time to time. Pursuant to the Initial Order, FTI Consulting Canada Inc. was appointed monitor (the "Monitor") of Long Run. During the CCAA process, the company will continue operations and initiate a Sales and Solicitation Process to attract investors or buyers. During this period, the company can only make payments for operating wells. The company contemplates to settle outstanding land lease rentals (both operating and non-operating) as part of closing the sales transaction, upon discussion with landowners and contingent upon whether there is an interested investor."

*Please note Long Run Exploration Ltd. has outstanding rentals for October 2020-2021, October 2021-2022 & October 2024-2025. The Vendor has agreed to assign all outstanding payments to the Purchaser. For clarity, there will not be an adjustment for the 2024- 2025 lease payment on the Statement of Adjustments.

This statement is based on information provided to us. The information is believed to be correct, but its accuracy cannot be guaranteed. Errors and/or omissions discovered prior and after auction shall be adjusted directly between the parties. E. & O.E.

