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## Special Bulletin to Suppliers

CCAA and Chapter 11 Filing - September 8, 2009

As one of our valued business partners, I wanted to provide you some details on the important and necessary actions we've taken to restructure Trident's financial affairs in order to ensure the long-term viability of our Company.

As you may have heard, on September 8, 2009 Trident Resources Corp, Trident Exploration Corp and certain of their affiliates commenced proceedings under the *Companies' Creditors Arrangement Act*, also known as the "CCAA". Although this was a difficult decision, management determined this step was necessary to complete a restructuring of the Company's indebtedness, and is the logical next step in a strategic process to maximize the value of business for the benefit of all key stakeholders – including you, our valued suppliers. Trident Resources Corp. and its US affiliates also filed under Chapter 11 of the US Bankruptcy Code on the same day.

We highly value our relationship with you, and I would like to share some key points with you about our actions:

- The CCAA and Chapter 11 protection will keep creditors from enforcing any rights against Trident, and will afford the Company the opportunity to restructure our financial affairs in a stable and structured environment.
- Trident is permitted to continue to operate and maintain its business "in the ordinary course." This allows us to continue the day-to-day operations of the Company in a business-as-usual manner.
- It is important that you know that our projections show that the Company generates sufficient cash to fund its continued operations.
- Vendors and suppliers will be paid for all materials and services required by the Company after the date of filing.
- The Initial Order under the CCAA generally prohibits us from paying for goods and services that were received before September 8, 2009, at this time. These amounts will be dealt with as part of the Company's restructuring plan. If you are owed monies for goods or services supplied prior to the filing, you will have the opportunity to file a Proof of Claim once the Court has approved a claims process. You will be provided further information in that regard once a claims process has been approved.

As part of our commitment to communicate openly and honestly with you, we will provide periodic updates on the progress of the restructuring and any key developments. In addition, court materials, including Monitor's reports, will be available on the internet at <http://cfcanada.fticonsulting.com/trident>. Enclosed with this letter are the formal notice of the CCAA proceedings and a copy of the Initial Order.

We thank you for your continued support, and we look forward to continuing to work with you.

Sincerely,

Todd Dillabough  
President, Chief Executive Officer and Chief Operating Officer

September 11, 2009

To: All Creditors

**Re: Trident Exploration Corp. ULC, Fort Energy Corp. ULC, Fenegy Corp. ULC, 981384 Alberta Ltd., 981405 Alberta Ltd., 981422 Alberta Ltd., Trident Resources Corp., Trident CBM Corp., Aurora Energy LLC, Nexgen Energy Canada, Inc. and Trident USA Corp. (collectively, the “Applicants”)**

On September 8, 2009, the Applicants sought and obtained an initial order (the “**Initial Order**”) under the *Companies’ Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended* (the “**CCAA**”). The Initial Order provides, among other things, a stay of proceedings against the Applicants until October 7, 2009, (the “**Stay Period**”). FTI Consulting Canada ULC has been appointed as monitor (the “**Monitor**”). A copy of the Initial Order is enclosed. Copies of materials filed in the proceedings may be obtained at <http://cfcanada.fticonsulting.com/trident> or on request from the Monitor. At this time, the Applicants are continuing to operate in the normal course under the Initial Order.

Pursuant to the Initial Order, all persons having oral or written agreements with an Applicant or statutory or regulatory mandates for the supply of goods and/or services are restrained until further Order of the Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by an Applicant, provided that the normal prices or charges for all such goods or services received after the date of the Initial Order are paid by the Applicants in accordance with normal payment practices of the Applicants or such other practices as may be agreed upon by the supplier or service provider and each of the Applicants and the Monitor, or as may be ordered by this Court. The Initial Order prohibits the Applicants from making payment of amounts relating to the supply of goods or services prior to September 8, 2009.

During the Stay Period, which may be extended by the Court from time to time, all parties are prohibited from commencing or continuing legal action against the Applicants and all rights and remedies of any party against or in respect of the Applicants or their assets are stayed and suspended except with the written consent of the applicable Applicant and the Monitor, or leave of the Court.

To date, no Claims Procedure has been approved by the Court and creditors are therefore not required to file a proof of claim at this time.

If you have any questions regarding the foregoing or require further information, please consult the Monitor’s website at <http://cfcanada.fticonsulting.com/trident> or call the Monitor’s Hot-line at (403) 770-1691.

I hereby certify this to be a true copy of  
 the original  
 Date of 0901-13483  
 Action No. 8  
 day of Sept. 2009  
 for Clerk of the Court  
*S. Hancock*

IN THE COURT OF QUEEN'S BENCH OF ALBERTA  
 JUDICIAL CENTRE OF CALGARY

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.  
 C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
 TRIDENT EXPLORATION CORP. ULC, FORT ENERGY CORP. ULC, FENERGY CORP.  
 ULC, 981384 ALBERTA LTD., 981405 ALBERTA LTD., 981422 ALBERTA LTD.,  
 TRIDENT RESOURCES CORP., TRIDENT CBM CORP., AURORA ENERGY LLC.,  
 NEXGEN ENERGY CANADA, INC. AND TRIDENT USA CORP.

BEFORE THE HONOURABLE )  
 )  
 JUSTICE G. C. Hancock )  
 )  
 IN CHAMBERS )  
 )  
 )

At the Calgary Court Center in the City of  
 Calgary, in the Province of Alberta  
 on the 8<sup>th</sup> day of September, 2009

**CCAA INITIAL ORDER**

**UPON** the application of Trident Exploration Corp. ULC, Fort Energy Corp. ULC, Fenergy Corp. ULC, 981384 Alberta Ltd., 981405 Alberta Ltd., 981422 Alberta Ltd, Trident Resources Corp., Trident CBM Corp., Aurora Energy LLC. NexGen Energy Canada, Inc. and Trident USA Corp. (collectively, the "Applicants" or "Trident"); **AND UPON** having read the Petition, and the Affidavit of Todd Dillabough (the "Dillabough Affidavit"), filed; **AND UPON** reading the consent of FTI Consulting Canada ULC to act as Monitor; **AND UPON** hearing counsel for the Applicants; **IT IS HEREBY ORDERED AND DECLARED THAT:**

**SERVICE**

1. The time for service of the notice of application for this order is hereby abridged and this application is properly returnable today.

**APPLICATION**

2. The Applicants are affiliated debtor companies within the meaning of the CCAA and the CCAA applies to each of the Applicants.

### **PLAN OF ARRANGEMENT**

3. Trident shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "Plan") between, among others, Trident and one or more classes of its secured and/or unsecured creditors as it deems appropriate.

### **POSSESSION OF PROPERTY AND OPERATIONS**

4. Trident shall:

- (a) remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "Property");
- (b) subject to further order of this Court, continue to carry on business in a manner consistent with the preservation of its business (the "Business") and Property; and
- (c) be authorized and empowered to continue to retain and employ, whether in Canada or elsewhere, the employees, consultants, agents, experts, accountants, financial advisors (including, without limitation, Rothschild Inc. in accordance with the terms of the Rothschild Engagement as described in the Dillabough Affidavit (the "Financial Advisor")), counsel and such other persons (collectively "Assistants") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. To the extent permitted by law, Trident shall be entitled but not required to pay the following expenses, incurred prior to or after this Order:

- (a) all outstanding and future fees, wages, salaries, employee and pension benefits, vacation pay, bonuses and expenses, and similar amounts owed to independent contractors and the officers and directors of Trident, payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;

- (b) the fees and disbursements of any Assistants retained or employed by Trident in respect of Trident's reorganization, at their standard rates and charges; and
- (c) in accordance with the Cash Management System and Inter-company Loan provision herein and subject to the consent of the Monitor, amounts owing by one or more of the Applicants to any other of the Applicants in order to settle their inter-company accounts and to make inter-company loans in the ordinary course of business.

6. Except as otherwise provided to the contrary herein, Trident shall be entitled but not required to pay all reasonable expenses incurred by Trident in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation or development of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to Trident following the date of this Order.

7. Trident shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in Right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of:
  - (i) employment insurance,
  - (ii) Canada Pension Plan, and
  - (iii) income taxes,

but only where such statutory deemed trust amounts arise after the date of this Order, or are not required to be remitted until after the date of this Order, unless otherwise ordered by the Court;

- (b) all goods and services or other applicable sales taxes (collectively, "Sales Taxes") required to be remitted by Trident in connection with the sale of goods and services by Trident, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and
- (c) any amount payable to the Crown in Right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by Trident.

8. Until such time as Trident repudiates a real property lease in accordance with paragraph 10(c) of this Order, Trident may pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease) based on the terms of existing lease arrangements or as otherwise may be negotiated by Trident from time to time for the period commencing from and including the date of this Order ("Rent"), but shall not pay any rent in arrears.

9. Except as specifically permitted in this Order, Trident is hereby directed, until further order of this Court:

- (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by Trident to any of its creditors as of the date of this Order;
- (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and

- (c) not to grant credit or incur liabilities except in the ordinary course of the Business.

## **RESTRUCTURING**

10. Trident shall have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its business or operations and to dispose of redundant or non-material assets not exceeding \$1,000,000 in any one transaction or \$5,000,000 in the aggregate (or in excess of these amounts, by order of this Court);
- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate on such terms as may be agreed upon between Trident and such employee, or failing such agreement, to deal with the consequences thereof in the Plan;
- (c) in accordance with paragraphs 11 and 12, vacate, abandon or quit any leased premises and/or repudiate any real property lease and any ancillary agreements relating to any leased premises, on not less than seven (7) days' notice in writing to the relevant landlord on such terms as may be agreed upon between Trident and such landlord, or failing such agreement, to deal with the consequences thereof in the Plan;
- (d) repudiate such of its arrangements or agreements of any nature whatsoever, whether oral or written, as Trident deems appropriate on such terms as may be agreed upon between Trident and such counter-parties, or failing such agreement, to deal with the consequences thereof in the Plan; and
- (e) pursue all avenues of refinancing and offers for material parts of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing or any sale (except as permitted by subparagraph (a), above)
- (f) settle claims of any of its customers and suppliers that are in dispute, with the approval of the Monitor,

all of the foregoing to permit Trident to proceed with an orderly restructuring of the Business (the "Restructuring").

11. Trident shall provide each of the relevant landlords with notice of Trident's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal. If the landlord disputes Trident's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and Trident, or by further order of this Court upon application by Trident on at least two (2) days' notice to such landlord and any such secured creditors. If Trident repudiates the lease governing such leased premises in accordance with paragraph 10(c) of this order, it shall not be required to pay Rent under such lease pending resolution of any such dispute, and the repudiation of the lease shall be without prejudice to Trident's claim to the fixtures in dispute.

12. If a lease is repudiated by Trident in accordance with paragraph 10(c) of this order, then:

- (a) during the notice period prior to the effective time of the repudiation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving Trident and the Monitor 24 hours' prior written notice; and
- (b) at the effective time of the repudiation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against Trident in respect of such lease or leased premises and such landlord shall be entitled to notify Trident of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

13. Except as otherwise provided to the contrary herein, Trident shall be entitled but not required to pay, with the consent of the Monitor, all reasonable costs and expenses incurred prior



to the date of this Order, where in the opinion of Trident and the Monitor such payments (i) are necessary to preserve the Property, Business and/or ongoing operations of Trident and (ii) can be made on such terms and conditions as will provide a material benefit to Trident and their stakeholders as a whole.

14. Trident shall be entitled to continue to utilize the central cash management system currently in place as described in the Dillabough Affidavit or replace it with another substantially similar central cash management system (the "Cash Management System"); and that any present or future bank or banks providing the Cash Management System shall:

- (a) not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as the use or application by Trident of funds transferred, paid, collected or otherwise dealt with in the Cash Management System;
- (b) be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as herein defined) other than Trident, pursuant to the terms of the documentation applicable to the Cash Management System; and
- (c) be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regards to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

#### **INTER-COMPANY LOANS**

15. The Applicants are authorized to make inter-company loans for the purposes of making payments in accordance with the Cash Flows (as this term is defined at paragraph 40 of the Dillabough Affidavit). To the extent that an Applicant receives a post-filing inter-company loan or other transfer (including goods and services) from another Applicant (including as a result of the Cash Management System or otherwise) (each such Applicant, a "Beneficiary Applicant"), and such post-filing inter-company loan or other transfer is made (each an "Advance") by an Applicant (a "Protected Entity") then, subject to the limitations set forth in this paragraph:

- (a) the Protected Entity shall have a proven and valid claim against such Beneficiary Applicant for the amount of such Advance (each, an "Inter-company Reimbursement Claim"), which Inter-company Reimbursement Claim shall bear interest at a rate agreed between the applicable Beneficiary Applicant and Protected Entity from time to time for the period and in accordance with past practice; and
- (b) all of the Property of the Beneficiary Applicant, is hereby charged by a mortgage, lien and security interest (such mortgage, lien and security interest, "Inter-company Charge") in favour of each of the Protected Entities as security for payment of the Inter-company Reimbursement Claim (including principal, interest and expenses) by the applicable Beneficiary Applicant to the corresponding Protected Entity. The Inter-company Charge shall have the priority set out in paragraphs 38 to 42 herein.

16. Protected Entities shall forbear from exercising an Inter-company Charge and shall not be entitled to exercise, any right or remedy relating to any Inter-company Reimbursement Claim held by such party, including, without limitation, as to seeking relief from the stay granted hereunder, or seeking any sale, foreclosure, realization upon repossession or liquidation of any Property of a Beneficiary Applicant, or taking any position with respect to any disposition of the Property, the business operations, or the reorganization of a Beneficiary Applicant. Subject to Paragraph 17 of this Order, an Inter-company Charge automatically, and without further action of any person or entity of any kind, shall be released or otherwise terminated to the extent that Property subject to such Inter-company Charge is sold or otherwise disposed of in accordance with the terms of this Order or further order of this Court after notice and a hearing, with respect to the effect of an Inter-company Charge on any sale of Property by any Beneficiary Applicant.

17. The Beneficiary Applicant may sell Property, in accordance with the terms of this Order or further order of this Court after notice and hearing, in each case free and clear of any Inter-company Charge, with such Inter-company Charge attaching to the proceeds of sale in the same priority and subject to the same limitations and restrictions as existed in respect of the Property sold.

## **NO PROCEEDINGS AGAINST TRIDENT OR THE PROPERTY**

18. Until and including October 7, 2009, or such later date as this Court may order (the "Stay Period"), no proceeding or enforcement process in any court (each, a "Proceeding") shall be commenced or continued against or in respect of Trident or the Monitor, or affecting the Business or the Property, except with leave of this Court, and any and all Proceedings currently under way against or in respect of Trident or affecting the Business or the Property are hereby stayed and suspended pending further order of this Court.

## **NO EXERCISE OF RIGHTS OR REMEDIES**

19. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "Persons" and each being a "Person"), whether judicial or extra-judicial, statutory or non-statutory against or in respect of Trident or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided that nothing in this Order shall:

- (a) empower Trident to carry on any business which Trident is not lawfully entitled to carry on;
- (b) exempt Trident from compliance with statutory or regulatory provisions relating to health, safety or the environment;
- (c) prevent the filing of any registration to preserve or perfect a security interest; or
- (d) prevent the registration of a claim for lien.

20. Nothing in this Order shall prevent any party from taking an action against Trident where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Monitor at the first available opportunity.

## **NO INTERFERENCE WITH RIGHTS**

21. During the Stay Period, no person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by Trident, or seek to replace, challenge, or otherwise dispossess Trident of any operatorship Trident maintains in connection with its Business or Property, except with the written consent of Trident and the Monitor, or leave of this Court.

## **CONTINUATION OF SERVICES**

22. During the Stay Period, all persons having:

- (a) statutory or regulatory mandates for the supply of goods and/or services; or
- (b) oral or written agreements or arrangements with Trident, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Business or Trident

are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by Trident or exercising any other remedy provided under such agreements or arrangements. Trident shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by Trident in accordance with the payment practices of Trident, or such other practices as may be agreed upon by the supplier or service provider and each of Trident and the Monitor, or as may be ordered by this Court. Nothing in this Order has the effect of prohibiting a person from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided after the date of this Order.

**NO OBLIGATION TO ADVANCE MONEY OR EXTEND CREDIT**

23. Notwithstanding anything else contained in this Order, no creditor of Trident shall be under any obligation after the making of this Order to advance or re-advance any monies or otherwise extend any credit to Trident.

**PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

24. During the Stay Period, and except as permitted by subsection 11.5(2) of the CCAA and paragraph 20 of this Order, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of Trident with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of Trident whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of Trident, if one is filed, is sanctioned by this Court or is refused by the creditors of Trident or this Court.

**DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE**

25. Trident shall indemnify its directors and officers from all claims, costs, charges and expenses relating to the failure of Trident, after the date hereof, to make payments of the nature referred to in subparagraphs 5(a), 7(a), 7(b) and 7(c) of this Order which they sustain or incur by reason of or in relation to their respective capacities as directors and/or officers of Trident except to the extent that, with respect to any officer or director, such officer or director has participated in the breach of any related fiduciary duties or has been judicially determined to have been grossly negligent or guilty of wilful misconduct.

26. The directors and officers of Trident shall be entitled to the benefit of and are hereby granted a charge (the "Directors' Charge") on the Property, which charge shall not exceed an aggregate amount of \$5,000,000, as security for the indemnity provided in paragraph 25 of this Order. The Directors' Charge shall have the priority set out in paragraphs 38 to 42 hereof.

27. Notwithstanding any language in any applicable insurance policy to the contrary:

- (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge; and

- (b) Trident's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraphs 25 and 26 of this Order.

#### **APPOINTMENT OF MONITOR**

28. FTI Consulting Canada ULC is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the Property and Trident's conduct of the Business with the powers and obligations set out in the CCAA or set forth herein and that Trident and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by Trident pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations.

29. The Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor Trident's receipts and disbursements, Business and dealings with the Property;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein and immediately report to the Court if in the opinion of the Monitor there is a material adverse change in the financial circumstances of Trident;
- (c) advise Trident in its preparation of Trident's cash flow statements and reporting to the Court or otherwise;
- (d) advise Trident in its development of the Plan or Plans and any amendments to the Plan or Plans;
- (e) advise Trident, to the extent required by Trident, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan or Plans;

- (f) have full and complete access to the books, records and management, employees and advisors of Trident and to the Business and the Property to the extent required to perform its duties arising under this Order;
- (g) be at liberty to engage, whether in Canada or elsewhere, independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (h) consider, and if deemed advisable by the Monitor, prepare a report and assessment on the Plan;
- (i) provide the consents contemplated herein;
- (j) assist Trident with respect to any insolvency proceedings commenced by or with respect to the Applicants in any foreign jurisdiction (collectively, "Foreign Proceedings") and report to this Court, as it deems appropriate, on the Foreign Proceedings with respect to matters relating to the Applicants;
- (k) be at liberty to act as a foreign representative in any foreign proceedings in respect of any of the Applicants including, without limitation, for recognition of these proceedings as "Foreign Main Proceedings", pursuant to Chapter 15 of the United States Bankruptcy Code, 11 U.S.C. §101 (the "US Bankruptcy Code") or similar legislation in any other jurisdiction; and
- (l) perform such other duties as are required by this Order or by this Court from time to time.

30. The Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintain possession or control of the Business or Property, or any part thereof. Nothing in this Order shall require the Monitor to occupy or to take control, care, charge, possession or management of any of the

Property that might be environmentally contaminated, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal or waste or other contamination, provided however that this Order does not exempt the Monitor from any duty to report or make disclosure imposed by applicable environmental legislation.

31. The Monitor shall provide any creditor of Trident with information provided by Trident in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by Trident is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and Trident may agree.

32. In addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

33. The Monitor, Canadian and US counsel to the Monitor, if any, and Canadian and US counsel to Trident, and the Financial Advisor shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by Trident as part of the costs of Trident's reorganization. Trident is hereby authorized and directed to pay the accounts of the Monitor, Canadian and US counsel for the Monitor, Canadian and US counsel for Trident, and the Financial Advisor, and shall make such payments on either a bi-weekly or a monthly basis, as the advisors may agree.

34. The Monitor and its legal counsel shall pass their accounts from time to time.

35. The Monitor, Canadian and US counsel to the Monitor, if any, Canadian and US counsel for Trident, and the Financial Advisor (to the extent of its Work Fee, as that term is defined in



the Dillabough Affidavit), as security for the professional fees and disbursements incurred both before and after the granting of this Order, shall be entitled to the benefits of and are hereby granted a charge (the "Administration Charge") on the Property, which charge shall not exceed an aggregate amount of \$5,000,000, as security for their professional fees and disbursements incurred at the normal rates and charges of the Monitor and such counsel, both before and after the making of this order in respect of Trident's reorganization. The Administration Charge shall have the priority set out in paragraphs 38 to 42 hereof.

### EMPLOYEE RETENTION PLAN

36. The employee retention plan described in the Dillabough Affidavit (the "Retention Plan") is hereby approved and Trident is hereby authorized to take all necessary steps required to finalize and implement the Retention Plan.

37. The employees of Trident subject to the Retention Plan shall be entitled to the benefit of and are hereby granted a charge (the "Retention Plan Charge") on the Property, which charge shall not exceed an aggregate amount of \$3,000,000, as security for the liability of Trident pursuant to the Retention Plan. The Retention Plan Charge shall have the priority set out in paragraphs 38 to 42 hereof.

### VALIDITY AND PRIORITY OF CHARGES

38. The priorities of the Directors' Charge, Administration Charge, ~~Retention Plan Charge~~ and Inter-company Charge, as among them, shall be as follows:

First -- Administration Charge (to the maximum amount of \$5,000,000);

Second -- Directors' Charge (to the maximum amount of \$5,000,000);

~~Third -- Retention Plan Charge (to the maximum amount of \$3,000,000); and~~

Fourth -- Inter-company Charge.

39. The filing, registration or perfection of the Administration Charge, the Directors' Charge, the ~~Retention Plan Charge~~ and the Inter-company Charge (collectively, the "Charges") shall not be required, and the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges

coming into existence, notwithstanding any such failure to file, register, record or perfect. Notwithstanding anything herein, the Charges shall not attach to the Retainers.

40. Each of the Charges (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, statutory or otherwise (collectively, "Encumbrances") in favour of any Person.

41. Except as otherwise expressly provided for herein, or as may be approved by this Court, an Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Directors' Charge, the Administration Charge, ~~the Retention Plan Charge~~ or the Inter-company Charge, unless the said Applicant also obtains the prior written consent of the Monitor, the other Applicants and the beneficiaries of the Directors' Charge, the Administration Charge, ~~the Retention Plan Charge~~ or the Inter-company Charge, or further order of this Court.

42. The Directors' Charge, the Administration Charge, ~~the Retention Plan Charge~~ and the Inter-company Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "Chargees") thereunder shall not otherwise be limited or impaired in any way by:

- (a) the pendency of these proceedings and the declarations of insolvency made in this Order;
- (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications;
- (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;
- (d) the provisions of any federal or provincial statutes; or
- (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement

(collectively, an "Agreement") which binds Trident, and notwithstanding any provision to the contrary in any Agreement:

- (i) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of any documents in respect thereof shall create or be deemed to constitute a new breach by Trident of any Agreement to which it is a party;
- (ii) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and
- (iii) the payments made by Trident pursuant to this order, and the granting of the Charges, do not and will not constitute fraudulent preferences, fraudulent conveyances, oppressive conduct, settlements or other challengeable, voidable or reviewable transactions under any applicable law.

#### **ALLOCATION**

43. Any interested Person may apply to this Court on notice to any other party likely to be affected, for an order to allocate the Administration Charge, the Directors' Charge, ~~the Retention Plan Charge~~ and the Inter-company Charge amongst the various assets comprising the Property.

#### **CROSS-BORDER PROTOCOL**

44. The cross-border protocol described in the Dillabough Affidavit and attached as Schedule "A" hereto be and is hereby approved and shall become effective upon its approval by the United States Bankruptcy Court for the District of Delaware and the parties to these proceedings and any other Person shall be governed by it and shall comply with the same.

#### **SERVICE AND NOTICE**

45. Trident shall, within ten (10) business days of the date of entry of this Order, send a copy of this Order to its known creditors, other than employees and creditors to which Trident owes

less than \$5,000, at their addresses as they appear on Trident's records, and shall promptly send a copy of this Order:

- (a) to all Persons requesting notice; and
- (b) to any other interested Person requesting a copy of this Order;

and the Monitor is relieved of its obligation under Section 11(5) of the CCAA to provide similar notice, other than to supervise this process.

46. Trident and the Monitor shall be at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile transmission or e-mail to Trident's creditors or other interested Persons at their respective addresses as last shown on the records of Trident and that any such service or notice by courier, personal delivery, facsimile transmission or e-mail shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing. The Monitor may post a copy of any or all such materials on its website, which shall be established for informational purposes.

#### **GENERAL**

47. Trident or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

48. Nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of Trident, the Business or the Property.


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

representative status to the Monitor in any foreign proceeding, or to assist Trident and the Monitor and their respective agents in carrying out the terms of this Order.

50. Each of Trident and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

51. Any interested party (including Trident and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

52. This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.

  
\_\_\_\_\_  
J.C.Q.B.A.

Entered this 8 day  
of Sept., 2009  
Clerk of the Court

**SCHEDULE "A"**  
**CROSS BORDER PROTOCOL**

## CROSS-BORDER INSOLVENCY PROTOCOL

This cross-border insolvency protocol (the "Protocol") shall govern the conduct of all parties in interest in the Insolvency Proceedings (as such term is defined herein).

The Guidelines Applicable to Court-to-Court Communications in Cross-Border Cases (the "Guidelines") attached as **Schedule A** hereto, shall be incorporated by reference and form part of this Protocol. Where there is any discrepancy between the Protocol and the Guidelines, this Protocol shall prevail.

### **A. Background**

1. Trident Exploration Corporation ("TEC") is the wholly owned Canadian subsidiary of its U.S. parent company, Trident Resources Corporation ("TRC," and together with TEC and each of their affiliates, "Trident"). TEC is a natural gas exploration and development company headquartered in Calgary, Alberta, Canada. TRC is incorporated under Delaware law and is also headquartered in Calgary, Alberta, Canada.

2. On September 8, 2009, TRC, TEC and certain of their U.S. and Canadian subsidiaries and affiliates (collectively, the "Canadian Debtors")<sup>1</sup> filed an application with the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "Canadian Court") under the Companies' Creditors Arrangement Act (Canada) (the "CCAA"), seeking relief from their creditors (collectively, the "Canadian Proceedings"). The Canadian Debtors are seeking an initial order of the Canadian Court (as may be amended and restated, the "Canadian Order"), pursuant to which, inter alia: (a) the Canadian Debtors are requesting a stay of proceedings and related relief under the CCAA; and (b) FTI Consulting Canada ULC is to be appointed as the

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<sup>1</sup> The Canadian Debtors include the following entities: Trident Exploration Corp., Fort Energy Corp., Fenenergy Corp., 981384 Alberta Ltd., 981405 Alberta Ltd., 981422 Alberta Ltd., Trident Resources Corp., Trident CBM Corp., Aurora Energy LLC, NexGen Energy Canada, Inc., and Trident USA Corp.

court appointed monitor (the “Monitor”) of the Canadian Debtors, with the corresponding rights, powers, duties and limitations of liabilities set forth in the CCAA and the Canadian Order.

3. Also on September 8, 2009 (the “Petition Date”) TRC and certain of its U.S. subsidiaries (collectively, the “U.S. Debtors”),<sup>2</sup> commenced reorganization proceedings (the “U.S. Proceedings”) under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the “U.S. Court”). All of the U.S. Debtors are applicants in the Canadian Proceedings. The U.S. Debtors are continuing in possession of their respective properties and are operating and managing their businesses, as debtors in possession, pursuant to sections 1107 and 1108 of the Bankruptcy Code. No trustee, examiner or official committee has been appointed in the U.S. Proceedings.

4. The Monitor, once appointed, may file petitions and seek an order in the U.S. Court granting recognition of the Canadian Proceedings, for those applicants not debtors in the U.S. Proceedings, under chapter 15 of the Bankruptcy Code (the “Chapter 15 Proceedings”).

5. For convenience, (a) the U.S. Debtors and the Canadian Debtors shall be referred to herein collectively as the “Debtors,” (b) the U.S. Proceedings and the Canadian Proceedings shall be referred to herein collectively as the “Insolvency Proceedings,” and (c) the U.S. Court and the Canadian Court shall be referred to herein collectively as the “Courts,” and each individually as a “Court.”

**B. Purpose and Goals**

6. While full plenary proceedings are pending in the United States for the U.S. Debtors and in Canada for the Canadian Debtors, all of the U.S. Debtors are also applicants in

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<sup>2</sup> The U.S. Debtors in the U.S. Proceedings (as defined herein) are: Trident Resources Corp., Trident CBM Corp., Aurora Energy LLC, NexGen Energy Canada, Inc., and Trident USA Corp. The U.S. Debtors have filed a motion contemporaneous herewith seeking consolidation (for procedural purposes only) of their cases.



the Canadian Proceedings. As such, the implementation of administrative procedures and cross-border guidelines is both necessary and desirable to coordinate certain activities in the Insolvency Proceedings, protect the rights of parties thereto, ensure the maintenance of the Courts' respective independent jurisdiction and give effect to the doctrines of comity. This Protocol has been developed to promote the following mutually desirable goals and objectives in the Insolvency Proceedings:

- a. harmonize and coordinate activities in the Insolvency Proceedings before the Courts;
- b. promote the orderly and efficient administration of the Insolvency Proceedings to, among other things, maximize the efficiency of the Insolvency Proceedings, reduce the costs associated therewith and avoid duplication of effort;
- c. honor the independence and integrity of the Courts and other courts and tribunals of the United States and Canada, respectively;
- d. promote international cooperation and respect for comity among the Courts, the Debtors, the Estate Representatives (as defined herein and which include the Chapter 11 Representatives and the Canadian Representatives as such terms are defined below), and other creditors and interested parties in the Insolvency Proceedings;
- e. facilitate the fair, open and efficient administration of the Insolvency Proceedings for the benefit of all of the Debtors' creditors and other interested parties, wherever located; and
- f. implement a framework of general principles to address basic administrative issues arising out of the cross-border nature of the Insolvency Proceedings.

As the Insolvency Proceedings progress, the Courts may also jointly determine that other cross-border matters that may arise in the Insolvency Proceedings should be dealt with under and in accordance with the principles of this Protocol. Subject to the provisions of this Protocol, including, without limitation, those included in paragraph 15 hereof, where an issue is to be addressed only to one Court, in rendering a determination in any cross-border matter, such Court

may: (a) to the extent practical or advisable, consult with the other Court; and (b) in its sole discretion and in keeping with the principles of comity, either (i) render a binding decision after such consultation; (ii) defer to the determination of the other Court by transferring the matter, in whole or in part to the other Court; or (iii) seek a joint hearing of both Courts.

**C. Comity and Independence of the Courts**

7. The approval and implementation of this Protocol shall not divest nor diminish the U.S. Court's and the Canadian Court's respective independent jurisdiction over the subject matter of the U.S. Proceedings and the Canadian Proceedings, respectively. By approving and implementing this Protocol, neither the U.S. Court, the Canadian Court, the Debtors nor any creditors or interested parties shall be deemed to have approved or engaged in any infringement on the sovereignty of the United States of America or Canada.

8. The U.S. Court shall have sole and exclusive jurisdiction and power over the conduct of the U.S. Proceedings and the hearing and determination of matters specifically arising in the U.S. Proceedings. The Canadian Court shall have sole and exclusive jurisdiction and power over the conduct of the Canadian Proceedings and the hearing and determination of matters specifically arising in the Canadian Proceedings.

9. In accordance with the principles of comity and independence recognized herein, nothing contained herein shall be construed to:

- a. increase, decrease or otherwise modify the independence, sovereignty or jurisdiction of the U.S. Court, the Canadian Court or any other court or tribunal in the United States or Canada, including the ability of any such court or tribunal to provide appropriate relief on an ex parte or "limited notice" basis to the extent permitted under applicable law;
- b. require the U.S. Court to take any action that is inconsistent with its obligations under the laws of the United States;
- c. require the Canadian Court to take any action that is inconsistent with its obligations under the laws of Canada;

- d. require the Debtors, the Estate Representatives (defined below), or the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”) to take any action or refrain from taking any action that would result in a breach of any duty imposed on them by any applicable law;
- e. authorize any action that requires the specific approval of one or both of the Courts under the Bankruptcy Code or the CCAA after appropriate notice and a hearing (except to the extent that such action is specifically described in this Protocol); or
- f. preclude the Debtors, the Monitor, the U.S. Trustee, any creditor or other interested party from asserting such party’s substantive rights under the applicable laws of the United States, Canada or any other relevant jurisdiction including, without limitation, the rights of parties in interest to appeal from the decisions taken by one or both of the Courts.

10. The Debtors, the Estate Representatives and their respective employees, members, agents and professionals shall respect and comply with the independent, non-delegable duties imposed upon them, if any, by the Bankruptcy Code, the CCAA, the Canadian Order and other applicable laws.

**D. Cooperation**

11. To assist in the efficient administration of the Insolvency Proceedings and in recognizing that certain of the U.S. Debtors and Canadian Debtors may be creditors of the others’ estates, the Debtors and their respective Estate Representatives shall, where appropriate:

- (a) cooperate with each other in connection with actions taken in both the U.S. Court and the Canadian Court and
- (b) take any other appropriate steps to coordinate the administration of the Insolvency Proceedings for the benefit of the Debtors’ respective estates.

12. To harmonize and coordinate the administration of the Insolvency Proceedings, the U.S. Court and the Canadian Court each may coordinate activities and consider whether it is appropriate to defer to the judgment of the other Court. In furtherance of the foregoing:

- a. The U.S. Court and the Canadian Court may communicate with one another, with or without counsel present, with respect to any procedural matter relating to the Insolvency Proceedings.
- b. Except as otherwise provided herein, where the issue of the proper jurisdiction of either Court to determine an issue is raised by an interested party in either of the Insolvency Proceedings with respect to relief sought in either Court, the Court before which such relief was initially sought may contact the other Court to determine an appropriate process by which the issue of jurisdiction will be determined; which process shall be subject to submissions by the Debtors, the Monitor, the U.S. Trustee and any interested party prior to a determination on the issue of jurisdiction being made by either Court.
- c. The Courts may, but are not obligated to, coordinate activities in the Insolvency Proceedings such that the subject matter of any particular action, suit, request, application, contested matter or other proceeding is determined in a single Court.
- d. The U.S. Court and the Canadian Court may conduct joint hearings (each a "Joint Hearing") with respect to any cross-border matter or the interpretation or implementation of this Protocol where both the U.S. Court and the Canadian Court consider such a Joint Hearing to be necessary or advisable, or as otherwise provided herein, to, among other things, facilitate or coordinate proper and efficient conduct of the Insolvency Proceedings or the resolution of any particular issue in the Insolvency Proceedings. With respect to any Joint Hearing, unless otherwise ordered, the following procedures will be followed:
  - (i) A telephone or video link shall be established so that both the U.S. Court and the Canadian Court shall be able to simultaneously hear and/or view the proceedings in the other Court.
  - (ii) Submissions or applications by any party that are or become the subject of a Joint Hearing (collectively, "Pleadings") shall be made or filed initially only to the Court in which such party is appearing and seeking relief. Promptly after the scheduling of any Joint Hearing, the party submitting such Pleadings to one Court shall file courtesy copies with the other Court. In any event, Pleadings seeking relief from both Courts shall be filed in advance of the Joint Hearing with both Courts.
  - (iii) Any party intending to rely on any written evidentiary materials in support of a submission to the U.S. Court or the Canadian Court in connection with any Joint Hearing (collectively, "Evidentiary Materials") shall file or otherwise submit such materials to both Courts in advance of the Joint Hearing. To the fullest extent

possible, the Evidentiary Materials filed in each Court shall be identical and shall be consistent with the procedural and evidentiary rules and requirements of each Court.

- (iv) If a party has not previously appeared in or attorned or does not wish to attorn to the jurisdiction of a Court, it shall be entitled to file Pleadings or Evidentiary Materials in connection with the Joint Hearing without, by the mere act of such filings, being deemed to have appeared in or attorned to the jurisdiction of such Court in which such material is filed, so long as such party does not request any affirmative relief from such Court.
- (v) The Judge of the U.S. Court and the Justice of the Canadian Court who will preside over the Joint Hearing shall be entitled to communicate with each other in advance of any Joint Hearing, with or without counsel being present, (1) to establish guidelines for the orderly submission of Pleadings, Evidentiary Materials and other papers and for the rendering of decisions by the Courts; and (2) to address any related procedural, administrative or preliminary matters.
- (vi) The Judge of the U.S. Court and the Justice of the Canadian Court, shall be entitled to communicate with each other during or after any joint hearing, with or without counsel present, for the purposes of (1) determining whether consistent rulings can be made by both Courts; (2) coordinating the terms of the Courts' respective rulings; and (3) addressing any other procedural or administrative matters.

13. Notwithstanding the terms of paragraph 12 above, this Protocol recognizes that the U.S. Court and the Canadian Court are independent courts. Accordingly, although the Courts will seek to cooperate and coordinate with each other in good faith, each of the Courts shall be entitled at all times to exercise its independent jurisdiction and authority with respect to: (a) the conduct of the parties appearing in matters presented to such Court; and (b) matters presented to such Court, including, without limitation, the right to determine if matters are properly before such Court.

14. Where one Court has jurisdiction over a matter that requires the application of the law of the jurisdiction of the other Court, such Court may, without limitation, hear expert

the U.S. Stay and any orders of the U.S. Court modifying or granting relief from the U.S. Stay; and (ii) the enforcement of the U.S. Stay in Canada.

17. The U.S. Court hereby recognizes the validity of the stay of proceedings and actions against the Canadian Debtors and their property under the Canadian Order (the “Canadian Stay”). In implementing the terms of this paragraph, the U.S. Court may consult with the Canadian Court regarding: (i) the interpretation, extent, scope and applicability of the Canadian Stay and any orders of the Canadian Court modifying or granting relief from the Canadian Stay; and (ii) the enforcement of the Canadian Stay in the United States.

18. Nothing contained herein shall affect or limit the Debtors’ or other parties’ rights to assert the applicability or nonapplicability of the U.S. Stay or the Canadian Stay to any particular proceeding, property, asset, activity or other matter, wherever pending or located. Subject to paragraph 15 herein, motions brought respecting the application of the stay of proceedings with respect to assets or operations of the Canadian Debtors shall be heard and determined by the Canadian Court, and motions brought respecting the application of the stay of proceedings with respect to assets or operations of the U.S. Debtors shall be heard and determined by the U.S. Court.

**F. Rights to Appear and Be Heard**

19. The Debtors, the Monitor, and any official committee that may be appointed by the U.S. Trustee, and the professionals and advisors for each of the foregoing, shall have the right and standing: (i) to appear and to be heard in either the U.S. Court or Canadian Court in the U.S. Proceedings or Canadian Proceedings, respectively, to the same extent as creditors and other interested parties domiciled in the forum country, subject to any local rules or regulations generally applicable to all parties appearing in the forum; and (ii) to file notices of appearance or other court materials with the clerk of the U.S. Court or the Canadian Court in respect of the U.S.

evidence of such law or, subject to paragraph 15 herein, seek the written advice and direction of the other Court which advice may, in the discretion of the receiving Court, be made available to parties in interest.

15. Given that each of the U.S. Debtors are also applicants in the Canadian Proceedings, in an effort to promote the orderly and efficient administration of the Insolvency Proceedings, the U.S. Debtors are expressly authorized to rely on and conduct business during the Insolvency Proceedings in accordance with the powers and authority granted to them under the Canadian Order and applicable Canadian insolvency law; *provided, however*, that to the extent actions contemplated by the U.S. Debtors authorized under the Canadian Order or Canadian insolvency law may not be permitted in the U.S. Proceedings without further order of the U.S. Court, the U.S. Debtors shall be required to seek approval of such action, by way of Joint Hearing, only if a written objection is received by the U.S. Debtors within 5 business days following notice of such action to the Monitor, the U.S. Trustee, the statutory committee (if any), each of the agents, or their counsel if known, under the Debtors' prepetition credit facilities, counsel for the Debtors' preferred equity holders, or any party directly affected by the action. As provided for in paragraph 8, nothing herein shall impair the independence, powers and authorities of the U.S. and Canadian Courts with respect to matters before such Courts.

**E. Recognition of Stays of Proceedings**

16. The Canadian Court hereby recognizes the validity of the stay of proceedings and actions against the U.S. Debtors and their property under section 362 of the Bankruptcy Code (the "U.S. Stay"). In implementing the terms of this paragraph, the Canadian Court may consult with the U.S. Court regarding: (i) the interpretation, extent, scope and applicability of

Proceedings or Canadian Proceedings, respectively; provided, however, that any appearance or filing may subject a creditor or interested party to the jurisdiction of the Court in which the appearance or filing occurs. Notwithstanding the foregoing, and in accordance with the policies and premises set forth above, including, without limitation, paragraph 12 above; (i) the Canadian Court shall have jurisdiction over the Chapter 11 Representatives (as defined below) solely with respect to those particular matters as to which the Chapter 11 Representatives appear before the Canadian Court; and (ii) the U.S. Court shall have jurisdiction over the Canadian Representatives (as defined below) solely with respect to those particular matters as to which the Canadian Representatives appear before the U.S. Court.

**G. Retention and Compensation of Estate Representative and Professionals**

20. The Monitor, its officers, directors, employees, counsel and agents, wherever located, (collectively the “Monitor Parties”) and any other estate representatives appointed in the Canadian Proceedings (collectively with the Monitor Parties, the “Canadian Representatives”) shall (subject to paragraph 19) be subject to the sole and exclusive jurisdiction of the Canadian Court with respect to all matters, including: (a) the Canadian Representatives’ tenure in office; (b) the retention and compensation of the Canadian Representatives; (c) the Canadian Representatives’ liability, if any, to any person or entity, including the Canadian Debtors and any third parties, in connection with the Insolvency Proceedings; and (d) the hearing and determination of any other matters relating to the Canadian Representatives arising in the Canadian Proceedings under the CCAA or any other applicable Canadian law. The Canadian Representatives shall not be required to seek approval of their retention in the U.S. Court for services rendered to the Debtors. Additionally, the Canadian Representatives: (a) shall be compensated for their services to the Debtors solely in accordance with the CCAA, the Canadian



Order and other applicable Canadian law or orders of the Canadian Court; and (b) shall not be required to seek approval of their compensation in the U.S. Court.

21. The Monitor Parties shall be entitled to the same protections and immunities in the United States as those granted to them under the CCAA and the Canadian Order. In particular, except as otherwise provided in any subsequent order entered in the Canadian Proceedings, the Monitor Parties shall incur no liability or obligations as a result of the making of the Canadian Order, the appointment of the Monitor by the Canadian Court, the carrying out of their duties or the provisions of the CCAA and the Canadian Order by the Monitor Parties, except in respect of any such liability arising from or on account of actions of the Monitor Parties constituting gross negligence or willful misconduct.

22. Any estate representative appointed in the U.S. Proceedings, including without limitation any examiners or trustees appointed in accordance with section 1104 of the Bankruptcy Code (collectively, the "Chapter 11 Representatives" and together with the Canadian Representatives, the "Estate Representatives") shall (subject to paragraph 19) be subject to the sole and exclusive jurisdiction of the U.S. Court with respect to all matters, including: (a) the Chapter 11 Representatives' tenure in office; (b) the retention and compensation of the Chapter 11 Representatives; (c) the Chapter 11 Representatives' liability, if any, to any person or entity, including the U.S. Debtors and any third parties, in connection with the Insolvency Proceedings; and (d) the hearing and determination of any other matters relating to the Chapter 11 Representatives arising in the U.S. Proceedings under the Bankruptcy Code or any other applicable laws of the United States. The Chapter 11 Representatives shall not be required to seek approval of their retention in the Canadian Court and (a) shall be compensated for their services to the U.S. Debtors solely in accordance with the Bankruptcy Code and any other

applicable laws of the United States or orders of the U.S. Court; and (b) shall not be required to seek approval of their compensation for services performed for the U.S. Debtors in the Canadian Court.

23. Any professionals retained by the Debtors to represent them only in connection with the Canadian Proceedings, including in each case, without limitation, counsel and financial advisors (collectively, the “Canadian Professionals”), shall be subject to the sole and exclusive jurisdiction of the Canadian Court and shall: (a) be subject to the procedures and standards for retention and compensation applicable in the Canadian Court under the CCAA, the Canadian Order and any other applicable Canadian law or orders of the Canadian Court with respect to services performed on behalf of the Debtors; and (b) not be required to seek approval of their retention or compensation in the U.S. Court.

24. Any professionals retained by the Debtors to represent them in connection with the U.S. Proceedings, including in each case, without limitation, counsel and financial advisors (collectively, the “U.S. Professionals”) shall be subject to the sole and exclusive jurisdiction of the U.S. Court and shall: (a) be subject to the procedures and standards for retention and compensation applicable in the U.S. Court under the Bankruptcy Code and any other applicable laws of the United States or orders of the U.S. Court with respect to services performed on behalf of the Debtors; and (b) not be required to seek approval of their retention or compensation in the Canadian Court.

25. Subject to paragraph 19 herein, any professional retained by an official committee appointed by the U.S. Trustee including in each case, without limitation, counsel and financial advisors (collectively, the “Committee Professionals”) shall be subject to the sole and exclusive jurisdiction of the U.S. Court. Such Committee Professionals shall: (a) be subject to

the procedures and standards for retention and compensation applicable in the U.S. Court under the Bankruptcy Code and any other applicable laws of the United States or orders of the U.S. Court; and (b) not be required to seek approval of their retention or compensation in the Canadian Court or any other court.

**H. Notice**

26. Notice of any motion, application or other Pleading or court materials (collectively the “Court Documents”) filed in one or both of the Insolvency Proceedings involving or relating to matters addressed by this Protocol and notice of any related hearings or other proceedings shall be given by appropriate means (including, where circumstances warrant, by courier, telecopier or other electronic forms of communication) to the following: (a) all creditors and interested parties, in accordance with the practice of the jurisdiction where the Court Documents are filed or the proceedings are to occur; and (b) to the extent not otherwise entitled to receive notice under clause (a) of this sentence, counsel to the Debtors; the U.S. Trustee; the Monitor; any official committee appointed in the Insolvency Proceedings and such other parties as may be designated by either of the Courts from time to time. Notice in accordance with this paragraph shall be given by the party otherwise responsible for effecting notice in the jurisdiction where the underlying Court Documents are filed or the proceedings are to occur. In addition to the foregoing, upon request, the U.S. Debtors or the Canadian Debtors shall provide the U.S. Court or the Canadian Court, as the case may be, with copies of any orders, decisions, opinions or similar papers issued by the other Court in the Insolvency Proceedings.

27. When any cross-border issues or matters addressed by this Protocol are to be addressed before or considered by a Court, notices shall be provided in the manner and to the parties referred to in paragraph 26 above.

**I. Effectiveness; Modification**

28. This Protocol shall become effective only upon its approval by both the U.S. Court and the Canadian Court.

29. This Protocol may not be supplemented, modified, terminated, or replaced in any manner except upon the approval of both the U.S. Court and the Canadian Court after notice and a hearing. Notice of any legal proceeding to supplement, modify, terminate or replace this Protocol shall be given in accordance with the notice provisions set forth above.

**J. Procedure for Resolving Disputes Under this Protocol**

30. Disputes relating to the terms, intent or application of this Protocol may be addressed by interested parties to the U.S. Court, the Canadian Court or both Courts upon notice in accordance with the notice provisions outlined in paragraph 26 above. In rendering a determination in any such dispute, the Court to which the issue is addressed: (a) shall consult with the other Court; and (b) may, in its sole and exclusive discretion, either: (i) render a binding decision after such consultation; (ii) defer to the determination of the other Court by transferring the matter, in whole or in part, to such other Court; or (iii) seek a Joint Hearing of both Courts in accordance with paragraph 12 above. Notwithstanding the foregoing, in making a determination under this paragraph, each Court shall give due consideration to the independence, comity and inherent jurisdiction of the other Court established under existing law.

31. In implementing the terms of this Protocol, the U.S. Court and the Canadian Court may, in their sole, respective discretion, provide advice or guidance to each other with respect to legal issues in accordance with the following procedures:

- a. the U.S. Court or the Canadian Court, as applicable, may determine that such advice or guidance is appropriate under the circumstances;

- b. the Court issuing such advice or guidance shall provide it to the non-issuing Court in writing;
- c. copies of such written advice or guidance shall be served by the applicable Court in accordance with paragraph 26 hereof;
- d. the Courts may jointly decide to invite the Debtors, the Creditors Committee, the Estate Representatives, the U.S. Trustee and any other affected or interested party to make submissions to the appropriate Court in response to or in connection with any written advice or guidance received from the other Court; and
- e. for clarity, the provisions of this paragraph shall not be construed to restrict the ability of either Court to confer as provided in paragraph 12 above whenever it deems it appropriate to do so.

**K. Preservation of Rights**

32. Except as specifically provided herein, neither the terms of this Protocol nor any actions taken under the terms of this Protocol shall: (a) prejudice or affect the powers, rights, claims and defenses of the Debtors and their estates or their professionals, any official committee, the U.S. Trustee or any of the Debtors' creditors under applicable law, including, without limitation, the Bankruptcy Code, the CCAA, and the orders of the Courts; or (b) preclude or prejudice the rights of any person to assert or pursue such person's substantive rights against any other person under the applicable laws of Canada or the United States.

Action No. 0901-13483

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IN THE COURT OF QUEEN'S BENCH OF  
ALBERTA  
JUDICIAL DISTRICT OF CALGARY

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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 TRIDENT  
EXPLORATION CORP. ULC, FORT ENERGY  
CORP. ULC, FENERGY CORP. ULC, 981384  
ALBERTA LTD., 981405 ALBERTA LTD., 981422  
ALBERTA LTD., trident resources corp., trident CBM  
Corp., AURORA Energy LLC., NexGen Energy  
Canada, Inc. and Trident USA Corp.

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CCAA INITIAL ORDER

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FRASER MILNER CASGRAIN LLP  
Barristers and Solicitors

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