

Action No. 0801-08487

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

Between:

ALBERTA TREASURY BRANCHES

Plaintiff (Applicant)

-and-

APEX ENERGY (CANADA) INC.

Defendants (Respondents)

FIRST REPORT OF THE COURT-APPOINTED RECEIVER OF

APEX ENERGY (CANADA) INC.

DELOITTE & TOUCHE INC.

April 2, 2009

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INTRODUCTION AND BACKGROUND

Introduction

1. On October 7, 2008, Deloitte & Touche Inc. ("Deloitte") was appointed by the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "Court") as Receiver and Manager (the "Receiver") of all of the current and future assets, undertakings and properties of Apex Energy (Canada) Inc. ("Apex" or the "Company"). A copy of the Receivership Order can be found on the internet at www.deloitte.ca under the Insolvency and Restructuring link.
2. The Receivership Order was the result of an application by Alberta Treasury Branches ("ATB"), who holds security over all of Apex's current and future assets, undertakings and properties.
3. In June 1998, Apex entered into a joint venture agreement (the "MW Joint Venture") with Workman Energy Ltd. ("Workman"). Pursuant to the MW Joint Venture, Workman was granted an interest in certain of Apex's petroleum and natural gas properties. On March 20, 2009, the Receivership Order was amended such that Deloitte was also appointed as Receiver and Manager of Workman Energy Ltd.'s right, title and interest in and to the Workman Interests, as such term was defined in the MW Joint Venture.

Notice to Reader

4. This report constitutes the First Report of the Court-Appointed Receiver.

Background

5. Apex is privately owned and was incorporated in Alberta in 1993. The Company purchased the assets of Probe Exploration Inc. in early 2001. The Company presently has an interest in approximately 45 properties on which there are 67 producing natural gas wells and 15 producing oil wells, as well as a large number of shut in natural gas and oil wells (the "PNG Assets"), The PNG Assets currently generate production of approximately 112 barrels of oil equivalent per diem ("BOE/d").
6. Mr. Michael Kamis is the Company's sole director and shareholder.

RECEIVER'S APPOINTMENT

Powers of the Receiver

7. The Receiver's powers are detailed in Paragraph 3 of the Receivership Order. They include the power to take and maintain possession and control of Apex's property, the power to receive and

collect all monies and accounts due to the Company, and the power to market and sell Apex's property, subject to Court approval as required by the Receivership Order.

Possession and Control

8. Apex operated out of office space in Calgary, Alberta. The Company shared this office space with several related companies (the "Related Parties"), including Apex Energy Consultants Inc. ("Consultants"), all of which were owned and operated by Mr. Michael Kamis. Outside of Mr. Kamis, Apex had no employees; although, certain of the consultants employed by the Related Parties also performed services for Apex.
9. Immediately following its appointment on October 7, 2008, the Receiver attended Apex's premises in order to take possession of the Company's books and records, including obtaining a computer back-up. Mr. Kamis was out of the country on that date and no individual was present with the authority to release Apex's records. In addition, the Receiver was advised that, certain of Apex's records were co-mingled with those of the Related Parties. Mr. Kamis later asserted a lien against the records pursuant to a management agreement between Consultants and Apex. Between October 10 through 14, 2008, all of Apex's known records were released to the Receiver with the exception of the Company's land and well files.
10. On October 14, 2008, The Court granted an application compelling Mr. Kamis to release Apex's land and well files to the Receiver, which files, the Receiver thereafter took possession of. No electronic records were provided to the Receiver with the exception of records stored on both the JV Nexus and Geo Nexus system, which were obtained with the assistance of the Company's software provider, Pandell.
11. The Receiver retained Niven Fischer Energy Management Inc. ("Niven Fischer") to manage Apex's ongoing day-to-day operations.
12. Apex's insurance provider has been notified of the Receivership. Coverage has been continued under the company's existing insurance policies and the Receiver has been added as a loss payee. Insurance premiums have now been paid in full until October 8, 2009.
13. Attached as "Schedule 1" is the Notice of Receiver and Receiver's Statement, which was issued to all of Apex's known creditors on October 17, 2008.

ASSETS

Petroleum and Natural Gas Assets

14. As noted above, Apex has net daily production of approximately 112 BOE/d, which is comprised of approximately 535 Mcf/d of non-associated natural gas, 23 barrels of oil per day and minor volumes of natural gas liquids.

15. Trimble Engineering Associates Ltd. provided a semi-mechanical update (the "Semi-Mechanical Update") of their reserve report, which had been originally prepared effective August 31, 2007. The Semi-Mechanical Update was effective December 31, 2008 and used Trimble's January 2009 pricing. Net present values for Apex's total proved plus probable reserves were estimated at \$4.9 million (discounted at 15%). Additional price sensitivity analysis (the "Sensitivity Analysis") was completed using Trimble's February 2009 pricing. Complete values based on both the Semi-Mechanical Update and the Sensitivity Analysis will be provided to the Court on a confidential basis in conjunction with any application for Court approval of a sale of the PNG Assets.

Accounts Receivable

16. In addition to the PNG Assets, at the date of receivership, Apex's records indicated accounts receivable of \$1.5 million. Apex's joint interest billings were several months in arrears. The Company's joint interest billings have now been updated, with Apex's records now indicating accounts receivable of \$1.4 million. Collection efforts have been delayed due to difficulties in compiling updated production information, and are ongoing. Of the total \$1.4 million in accounts receivable, approximately \$900,000 has been deemed doubtful to collect.

17. Funds totaling \$149,000 are currently being held in trust with respect to the Energy Resource Conservation Board's ("ERCB") Licensee Liability Rating (the "LLR Deposit"). The purpose of the LLR Deposit is to ensure that funds are available to deal with the Company's abandonment and reclamation liabilities. Depending on the outcome of the sale process, should any of Apex's PNG Assets remain unsold all, or a portion of the LLR Deposit may be forfeited.

LIABILITIES

Potential Priority Creditors

Canada Revenue Agency

18. Canada Revenue Agency ("CRA") is currently completing an audit of Apex's payroll and GST business accounts.

19. Apex's currently has outstanding pre-receivership GST of approximately \$9,300 and outstanding pre-receivership payroll source deductions of approximately \$4,200.

20. The Receiver originally understood that Apex did not have any employees and that the Company had no payroll records. We now understand that Mr. Kamis was an employee of Apex during both 2007 and 2008. Apex has provided T4s and T4 summaries for 2007 and 2008. Additional payroll records have been requested but have yet to be provided.

Builder's Liens

21. Builders' liens totaling between \$89,500 and \$108,500 have been filed against Apex. The Receiver's legal counsel, in conjunction with Niven Fisher, is currently reviewing the validity of these builder's liens.

Joint Venture Partner Claims

22. Three of Apex's joint venture partners are asserting a trust claim with respect to production revenues that the Company collected on their behalf during the pre-receivership period (the "JV Revenues"). The JV Revenues relate to production at the property in the Peco region described as 102/06-06-049-15W5/00. The Receiver has yet to receive any additional details with respect to the quantum or nature of this claim.

Royalties

23. As at the date of receivership, gross-overriding and freehold royalties totaling approximately \$60,500 were outstanding. The Receiver's legal counsel, in conjunction with Niven Fischer, is continuing to review the priority of pre-receivership freehold and gross-overriding royalties vis-à-vis ATB's secured claim.

Secured Creditors

24. As noted in Paragraph 2, ATB holds a general security agreement over all of Apex's current and future assets, undertakings and properties. ATB currently estimates their outstanding indebtedness at \$2.9 million. The Receiver has requested, but has not yet received, a legal opinion with respect to the validity and enforceability of ATB's security.

25. It is anticipated that there will be a substantial shortfall in satisfying ATB's secured claim; therefore, it is unlikely that any funds will be available for distribution to the unsecured creditors.

ONGOING OPERATIONS

26. As noted above, the Receiver has retained Niven Fischer to assist in the day to day management of Apex's ongoing operations.

27. During the post-receivership period, the Receiver elected to participate in joint venture projects, which were anticipated to result in total capital expenditures (the "Post-CapEx") of \$222,000, of which \$117,500 was estimated to become payable over the course of the receivership. The Post-CapEx relates to wells in Apex's primary producing regions of Joffre and Hillsdown and will preserve the value of Apex's PNG Assets to potential purchasers. All Post-CapEx was undertaken in the ordinary course, based on recommendations by Niven Fischer and with the support of ATB, Apex's primary secured creditor. Attached as "Schedule 2" is a summary of the Post-CapEx. As noted therein, all of

the approved joint venture projects are being completed by Canadian Natural Resources Ltd. ("CNRL") and Canseach Resources Ltd. ("Cansearch"), two of Apex's key joint venture partners. Nine of the ten wells on which joint venture projects have been completed to date are now producing.

28. Attached as "Schedule 3" is a list of capital expenditures approved by Apex during the pre-receivership period (the "Pre-CapEx") with a total estimated cost of \$274,200. The Receiver will be seeking Court approval of the Pre-CapEx, based on the following:
- a. The Pre-CapEx relates to joint venture projects being completed in Apex's primary producing regions of Joffre and Hillsdown and will preserve the value of Apex's PNG Assets to potential purchasers;
 - b. The Pre-CapEx relates to joint venture projects being completed by CNRL and Cansearch, two of Apex's key joint venture partners;
 - c. Much of the Pre-CapEx relates to wells on which Post-CapEx work has subsequently been approved; and
 - d. Payment of the Pre CapEx has been recommended by Niven Fischer and is supported by ATB, Apex's primary secured creditor.
29. Attached as "Schedule 4" are letters provided to and approved by CNRL and Cansearch, wherein the Receiver advised CNRL and Cansearch of their intention to seek Court approval for the Pre-CapEx and requested that, pending receipt of Court approval, payment be deferred until such time as the sale of Apex's PNG Assets has been completed. The Receiver's application for Court approval of the Pre CapEx will be scheduled for a later date.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

30. Attached hereto as "Schedule 5" is the Receiver's Statement of Receipts and Disbursements for the Interim Period from October 7, 2008 to March 31, 2009. The excess of cash receipts over cash disbursements represented by the cash in the bank as at March 31, 2009 is approximately \$238,000.
31. Since its appointment, the Receiver has collected \$884,500 in cash receipts, which includes cash held in financial institutions of \$112,500, production revenues of \$613,800, royalty revenue of \$43,400 and joint interest and miscellaneous revenue of \$84,100.
32. Also since its appointment, the Receiver has paid total cash disbursements of \$646,500, largely related to the Company's ongoing operations. All freehold and gross-overriding royalties and Crown royalties have been paid for the post-receivership period ended November 30, 2008 and December 31, 2008 respectively.

33. The Receiver's fees and disbursements for the period from October 7, 2008 to March 7, 2009 total \$231,500, which amount is being paid directly by ATB. The fees and disbursements of the Receiver's legal counsel for the period from October 7, 2008 to February 28, 2009 total \$65,300.

SALES PROCESS

34. As outlined in paragraph 3(l) of the Receivership Order, the Receiver is empowered and authorized to sell, convey, transfer, lease or assign Apex' property, subject to the required Court Approvals.

35. During the months of November and December 2008, the Receiver contacted a total of eight parties and requested that they provide proposals to assist in the sale of the PNG Assets. Of those eight parties, three declined to provide proposals based on the size of the company, current market conditions and existing capacity restrictions. After reviewing the information provided by the remaining five parties, the Receiver engaged Sayer Energy Advisors ("Sayer") to assist in the marketing and sale of Apex's PNG Assets. The decision to engage Sayer was based on the proposal provided as well as positive feedback from individuals familiar with the industry, that Sayer would be able to provide the greatest market exposure and had obtained favourable outcomes in similar divestitures.

36. Attached as "Schedule 6" is a marketing update prepared by Sayer on January 26, 2009 (the "Marketing Update"), which reviews Sayer's qualifications, provides an overview of the PNG Assets, and discusses the recommended marketing of PNG Assets. The Marketing Update notes as follows with respect to current market conditions and the anticipated sale of Apex's PNG Assets:

- a. Decreasing commodity prices, reductions in available capital and the tightening of credit facilities may prevent junior oil and gas companies, traditionally the target audience for this type of divestiture, from participating in the sale process;
- b. Due to a lack of geographical focus, the large number of non-operated properties and the significant number of potential well abandonment and reclamation liabilities, the public marketing of all properties either as a whole or on a property by property basis is not being recommended by Sayer; and
- c. Sayer is recommending the targeted marketing of packages of assets, grouped by area, which they have indicated will be the most efficient and effective way to sell the maximum number of properties and achieve the maximum return to the creditors. In addition, Sayer will be sending out information on the packages to a broad distribution of companies, as certain packages may have wider appeal. (the "Sale Process").

37. Attached as "Schedule 7" is Sayer's proposed mail-out, notifying interested parties of the sale of the PNG Assets (the "Mail-Out"). The Mail-Out would be circulated to approximately 2,500 interested parties, following Court approval of the Sale Process. The PNG Assets have been separated into seven packages and a bid deadline of May 7, 2009 has been proposed.

38. After meeting with Sayer and reviewing the material provided by them, the Receiver supports the approach undertaken by Sayer, believing that it will result in the highest volume of properties being sold at the highest price.

CONCLUSION

39. The Receiver will be making an application to the Court of Queen's Bench of Alberta for approval of the Sale Process, as defined herein.

DELOITTE & TOUCHE INC.,
in its sole capacity as Receiver of Apex Energy
(Canada) Inc. and not in its personal capacity.



Vanessa A. Grant, B. Comm, CIRP
Vice-President

SCHEDULES

SCHEDULE 1

Deloitte & Touche Inc.
3000 Scotia Centre
700 Second Street S.W.
Calgary AB T2P 0S7
Canada

Tel: (403) 267-1700
Fax: (403) 263-2390
www.deloitte.ca

NOTICE OF RECEIVER AND RECEIVER'S STATEMENT
(Subsection 245(1) and 246(1) of the
***Bankruptcy and Insolvency Act*)**

IN THE MATTER OF THE RECEIVERSHIP OF
APEX ENERGY (CANADA) INC.

BACKGROUND

On October 7, 2008, Deloitte & Touche Inc. was appointed by the Court of Queen's Bench of Alberta, as Receiver and Manager (the "Receiver") of all of the current and future assets, undertakings and properties of Apex Energy (Canada) Inc. ("Apex" or the "Company"). A copy of the Receivership Order can be obtained via our website at www.deloitte.ca, under the insolvency and restructuring link, or by contacting April Bryant at (403) 267-0564.

The Receivership was the result of an application by Alberta Treasury Branches, Apex's principal secured creditor who holds a general security agreement over all of the Company's current and future assets, undertakings and properties.

Apex is a private company, which was incorporated in Alberta in April 1993. The Company is involved in the exploration, development and production of petroleum and natural gas in Alberta. Apex currently has an interest in approximately 110 to 120 wells and owns assorted petroleum and natural gas equipment (the "PNG Assets").

The Company's address was Suite 700, 815 - 8th Avenue SW, Calgary, Alberta.

ASSETS

On October 7, 2008, the Receiver took possession and control of Apex's assets, consisting mainly of the PNG Assets:

Assets:	Book Value:	Notes:
Accounts Receivable	\$ 1,523,398	1
PNG Assets	Not to be Released	2
Total Estimated Value:	Not to be Released	

Notes:

1. This value is derived from Apex's Aged Accounts Receivable Summary as at August 31, 2008.
2. No value has been provided for the PNG Assets in order to avoid tainting any future sale process.

LIABILITIES

As at October 7, 2008, the Company's outstanding indebtedness was estimated at \$5,792,000, which can be broken down as follows:

Liabilities:	Estimated Value
Secured Creditors	\$ 2,722,000
Builder's Liens	56,000
Joint Venture Partners	989,000
Unsecured Creditors	2,061,000
	\$ 5,792,000

A detailed list of these creditors together with the amounts owed as indicated by the Company's books and records is available on Deloitte's website.

OPERATIONS

Pursuant to Paragraph 3(c) of the Receivership Order, the Receiver is authorized to manage, operate and carry on the Company's business.

Apex's operations are currently being continued by the Receiver until such time as a sale of the PNG Assets has been completed. The Receiver has retained Niven Fischer Energy Management Inc. to assist them in managing the Company's day to day operations.

Once the sale of the PNG Assets has been completed and all administrative matters have been finalized, we will be seeking our discharge as Receiver.

LIQUIDATION

We have not yet developed a formal plan for the liquidation of the Company's assets. We are currently evaluating the PNG Assets, following which we anticipate commencing a sale process.

CONTACT INFORMATION

The contact information for the Receiver is:

Deloitte & Touche Inc.
3000, 700 – 2 Street SW
Calgary, AB T2P 0S7
Attention: Ms. Vanessa A. Grant

Tel: (403) 298-5955

Fax: (403) 718-3696

Dated at Calgary, Alberta this 17 day of October, 2008.

DELOITTE & TOUCHE INC.

In its capacity as Receiver and Manager of
Apex Energy (Canada) Inc.
and not in its personal capacity



Vanessa A. Grant, B. Comm, CIRP
Vice President

SCHEDULE 2

Schedule 2 - Post-Receivership Capital Expenditures (To be completed during the Receivership)

Operator	Area	Project	AFE Number	Feb. (Jan. Prod.)	W.I.	Capital	Status
CNRL	Joffre	Tie-in and equip 8-20-37-26W4	Feb 24_09	Nov 20/08	6.000%	5,546	Producing
CNRL	Joffre	Tie-in and equip 12-20-37-26W4	FW082322/ FP061680	Nov 11/08	6.000%	12,154	Producing
CNRL	Joffre	Tie-in and equip 16-20-37-26W4	FP082177	Nov 20/08	6.000%	7,262	Producing
CNRL	Joffre	Tie-in and equip 3-30-37-26W4	FW082293/ FP071832	Nov 10/08	3.000%	5,304	Producing
CNRL	Joffre	Tie-in and equip 10-30-37-26W4	FP081038	Nov 10/08	3.000%	3,193	Producing
CNRL	Joffre	Tie-in and equip 15-30-37-26W4	FP071833	Nov 10/08	3.000%	3,868	Producing
CNRL	Joffre	Tie-in and equip 15-10-39-26W4	FP082232	Nov 25/08 / N/A	7.000%	4,377	Producing
CNRL	Joffre	Facility Joffre Viking 1 Unit	No AFE Provided	N/A	0.583%	10,000	Unknown
CNRL	Joffre	Tie-in and Equip 102/14-30-37-23W4	FW082196/ FP062377	Nov 10/08 & Nov 5/08	9.350%	12,124	Producing
CNRL	Joffre	Tie-in 4-10-39-26W4	FP061934	Nov 5/08	7.000%	7,219	Producing
CNRL	Joffre	14-36-38-27W4 Gas Plant	No AFE Provided	N/A	4.000%	12,000	Unknown
CNRL	Hillsdown	13-04-037-25W4 Gas Plant	FF081498	Nov 25/08	8.000%	23,994	Complete
CNRL	Joffre	Tie-in and Equip 1-10-39-26W4	No AFE Provided	N/A	7.000%	10,500	Unknown
Total						\$ 117,541	

0

Post-Receivership Capital Expenditures (Completion anticipated after completion of the Receivership)

Operator	Area	Project	AFE Number	Notice Date	W.I.	Capital	Status
Cansearch	Joffre	Complete, Test, Tie-In and Equip 103/6-33	04241D08/ No AFE Provided	Oct. 22/08/ N/A	25.000%	104,505	On Hold/ Not included in current forecast/ Will only be completed pending acquisition of the pipeline.
			479806			\$ 104,505	
			Total			\$ 222,046	

SCHEDULE 3

Schedule 3

Schedule 3 - Pre-Receivership Capital Expenditures Recommended by the Receiver

Operator	Area	Project	Description	W.I.	Capital	Status	Notes	
CNRL	Joffre	D&C&C 102/8-20-37-26W4	Drilling, casing and completion	6.000%	\$ 17,598	Producing		
CNRL	Joffre	D&C&C 12-20-37-26W4	Drilling, casing and completion	6.000%	18,410	Producing		
CNRL	Joffre	D&C&C 16-20-37-26W4	Drilling, casing and completion	6.000%	17,208	Producing		
CNRL	Joffre	D&C&C 3-30-37-26W4	Drilling, casing and completion	3.000%	8,816	Producing		
CNRL	Joffre	D&C&C 10-30-37-26W4	Drilling, casing and completion	3.000%	9,035	Producing		
CNRL	Joffre	D&C&C 15-30-37-26W4	Drilling, casing and completion	3.000%	8,861	Producing		
CNRL	Joffre	D&C&C 15-10-39-26W4	Drilling, casing and completion	7.000%	20,245	Producing		
Cansearch	Joffre	D&C 103/6-33-38-26W4	Drilling and casing	25.000%	70,064	Completed/ Not yet producing	1	
CNRL	Joffre	D&C&C, Pipe & Equip 13-10-39-26W4	Drilling, casing, completion, equipping & pipeline	7.000%	37,356	Producing		
CNRL	Joffre	D&C&C & Equip 4-10-39-26W4	Drilling, casing, completion and equipping	7.000%	22,354	Producing		
CNRL	Joffre	D&C&C 102/14-30-37-23W4	Drilling, casing and completion	9.350%	26,650	Producing		
CNRL	Joffre	D&C&C 1-10-39-26W4	Drilling, casing and completion	7.000%	17,615	Not Drilled		
Total					\$	274,212		

Notes:

1. Cansearch only recognizes Apex's interest in this well. Raptor also has an interest; however, they have elected to go penalty (400%). As such Apex's interest currently sits at 25%.
2. The only well that does not subject to ongoing work in the post-receivership period is 13-10-39-26W4, however this well is in the same region as the work being done.
3. Total forecast costs are reported, except where actual costs have exceeded original forecasts.

SCHEDULE 4



Deloitte & Touche Inc.
3000 Scotia Centre
700 Second Street S.W.
Calgary AB T2P 0S7
Canada

November 28, 2008

VIA EMAIL: swatson@parlee.com

Tel: 403-298-5955
Fax: 403-718-3696
www.deloitte.ca

Mr. Scott Watson
Parlee McLaws
3400, 150 6th Avenue SW
Calgary, AB T2P 3Y7

Dear Mr. Watson:

Re: Apex Energy (Canada) Inc. – In Receivership (“Apex” or the “Company”)

As you are aware, on October 7, 2008, the Court of Queen's Bench of Alberta granted a Receivership Order in respect of Apex and Deloitte & Touche Inc. was appointed as Receiver and Manager (the “Receiver”) of all of the Company's current and future assets, undertakings and properties. A copy of the Receivership Order can be accessed on our website at www.deloitte.ca under the Insolvency and Restructuring link.

We have retained Niven Fischer Energy Management Inc. (“Niven Fischer”) to assist us in Apex's day to day operations. Together with Niven Fischer, we have reviewed the outstanding and anticipated Approval for Expenditures provided by CNRL to Apex during both the post and pre-receivership period (respectively the “Post and Pre AFEs”)

Attached as Schedule A is a listing of Post- AFEs for which we anticipate granting approval.

Attached as Schedule B is a listing of Pre-AFEs, which relate to work done on certain wells in the Joffre region, for which wells post-AFEs are also being approved.

As the Pre-AFEs represent the initial stages of work, which is being completed in the post-receivership period, we intend to seek Court approval to pay the Pre-AFEs.

We intend to make an application to pay the pre-AFEs included in Schedule B, conditional on the following:

1. Agreement from CNRL that payment of the Pre-AFEs will only be made at such time as the sale of all of Apex's petroleum and natural gas assets has been completed. We have commenced a sale process and we currently anticipate that such a sale will be completed prior to the end of February, 2009;
2. Agreement from CNRL that they will not attempt to set-off the amounts paid pursuant to either the Pre or the Post-AFEs against any other outstanding indebtedness, which may be due to CNRL from Apex;
3. Agreement from CNRL that they will not attempt to file builders' liens in respect of any pre-receivership amounts due from Apex; and
4. Approval of the Court of Queen's Bench of Alberta.

Parlee McLaws
Page 2

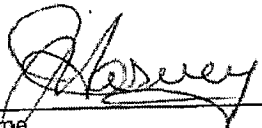
Please sign below to confirm your agreement with the terms outlined above or should you have any questions,
please contact the undersigned.

Yours truly,
DELOITTE & TOUCHE INC.
In its sole capacity as Receiver of
Apex Energy (Canada) Inc.
And not in its personal capacity

Vanessa A. Grant
Vice-President

cc. Mr. Dave McLellan (VIA EMAIL)

By signing below I confirm my agreement with the terms outlined above.



Name

February 9, 2009

Date

Canada Natural Resources

Company

Post-Receiver'ship Capital Expenditures

Schedule A

Operator	Area	Project	AFE Number	Notice Date	W.I.	Capital
CNRL	Joffre	Tie-in and equip 8-20-37-26W4	No AFE Provided	N/A	6.000%	\$ 9,000
CNRL	Joffre	Tie-in and equip 12-20-37-26W4	FW082322/ FP061680	Nov 11/08	6.000%	12,154
CNRL	Joffre	Tie-in and equip 16-20-37-26W4	No AFE Provided	N/A	6.000%	9,000
CNRL	Joffre	Tie-in and equip 3-30-37-26W4	FW082293/ FP071832	Nov 10/08	3.000%	5,304
CNRL	Joffre	Tie-in and equip 10-30-37-26W4	FP081038	Nov 10/08	3.000%	3,194
CNRL	Joffre	Tie-in and equip 15-30-37-26W4	FP071833	Nov 10/08	3.000%	3,868
CNRL	Joffre	Tie-in and equip 15-10-39-26W4	No AFE Provided	N/A	7.000%	10,500
CNRL	Joffre	Facility Joffre Viking 1 Unit	No AFE Provided	N/A	0.583%	10,000
CNRL	Joffre	Tie-in and Equip 102/14-30-37-23W4	FW082196/ FW062377	Nov 10/08 & Nov 5/08	9.350%	12,124
CNRL	Joffre	Tie-in 4-10-39-26W4	FP061934	Nov 5/08	7.000%	7,219
CNRL	Joffre	Tie-in and Equip 1-10-39-26W4	No AFE Provided	N/A	7.000%	10,500
CNRL	Joffre	D&C&C 102/10-18-38-26W4	DR081084	Oct. 7/08	4.000%	11,720
Total						\$ 104,583

Schedule B

Pre-Recelvership Capital Expenditures

Operator	Area	Project	Description	W.I.	Capital
CNRL	Joffre	D&C&C 102/8-20-37-26W4	Drilling, casing and completion	6.000%	\$ 17,598
CNRL	Joffre	D&C&C 12-20-37-26W4	Drilling, casing and completion	6.000%	18,410
CNRL	Joffre	D&C&C 16-20-37-26W4	Drilling, casing and completion	6.000%	17,208
CNRL	Joffre	D&C&C 3-30-37-26W4	Drilling, casing and completion	3.000%	8,816
CNRL	Joffre	D&C&C 10-30-37-26W4	Drilling, casing and completion	3.000%	9,035
CNRL	Joffre	D&C&C 15-30-37-26W4	Drilling, casing and completion	3.000%	8,881
CNRL	Joffre	D&C&C 15-10-39-26W4	Drilling, casing and completion	7.000%	20,245
CNRL	Joffre	D&C&C 13-10-39-26W4	Drilling, casing and completion	7.000%	17,145
CNRL	Joffre	D&C&C & Equip 4-10-39-26W4	Drilling, casing and completion/ Equipping	7.000%	21,851
CNRL	Joffre	D&C&C 102/14-30-37-23W4	Drilling, casing and completion	9.350%	26,650
CNRL	Joffre	D&C&C 1-10-39-28W4	Drilling, casing and completion	7.000%	17,615
CNRL	Joffre	Equip & Pipe 13-10-39-28W4	Equipping & Pipeline	7.000%	20,211
Total					<u>\$ 203,646</u>



Deloitte & Touche Inc.
3000 Scotia Centre
700 Second Street S.W.
Calgary AB T2P 0S7
Canada

December 1, 2008

VIA EMAIL: Kevin.Barr@macleoddixon.com

Tel: 403-298-5955
Fax: 403-718-3696
www.deloitte.ca

Mr. Kevin Barr
Macleod Dixon LLP
3700, 400-3rd Avenue SW
Calgary, AB T2P 4H2

Attention: Mr. Kevin Barr

Re: Apex Energy (Canada) Inc. – In Receivership (“Apex” or the “Company”)

As you are aware, Deloitte & Touche Inc. acts as Receiver and Manager (the “Receiver”) of Apex Energy (Canada) Inc. (“Apex”). Borden Ladner Gervais LLP acts as the Receiver’s legal counsel in this matter.

We have retained Niven Fischer Energy Management Inc. (“Niven Fischer”) to assist us in Apex’s day to day operations. Together with Niven Fischer, we have reviewed the outstanding and anticipated Approval for Expenditures provided by CanSearch Resources Inc. (“Cansearch”) to Apex during both the post and pre-receivership period.

We have reviewed and approved the following AFEs, which arose in the post-receivership period (the “Post-AFE”):

- No. 04241D08, which relates to completion and testing on the property described as Joffre 103/G-33-38-26 W4M (the “Joffre Well”).

We have also reviewed the following AFE, which arose in the pre-receivership period (the “Pre-AFE”):

- No. 04187D08, which relates to drilling and casing on the Joffre Well.


As the Pre-AFE represents the initial stages of work, which is being completed in the post-receivership period, we intend to seek Court approval to pay the Pre-AFE.

We intend to make an application to Court to pay the pre-AFE, conditional on the following:

1. Agreement from CanSearch that payment of the Pre-AFE will only be made at such time as the sale of all of Apex’s petroleum and natural gas assets has been completed. We have commenced a sale process and we currently anticipate that such a sale will be completed prior to the end of February, 2009;
2. Agreement from CanSearch that they will not attempt to set-off the amounts paid pursuant to either the Pre or the Post-AFEs against any other outstanding indebtedness, which may be due to CanSearch from Apex;
3. Agreement from CanSearch that they will not attempt to file builders’ liens in respect of any pre-receivership amounts due from Apex; and
4. Approval of the Court of Queen’s Bench of Alberta.

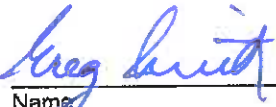
Please sign below to confirm your agreement with the terms outlined above or should you have any questions, please contact the undersigned.

Yours truly,
DELOITTE & TOUCHE INC.
In its sole capacity as Receiver of
Apex Energy (Canada) Inc.
And not in its personal capacity


Vanessa A. Grant
Vice-President

cc. Mr.. Dave McLellan (VIA EMAIL)

By signing below I confirm my agreement with the terms outlined above.

 **Gregory M. D. Smith**
Vice President- Land March 12, 09
Name Date

CANSEARCH RESOURCES LTD.

Company

SCHEDULE 5

Apex Energy (Canada) Inc.
Receiver's Statement of Receipts & Disbursements
For the Interim Period from October 7, 2008 to March 31, 2009

Receipts		Notes
Cash held in financial institutions	\$ 112,508	
Production Revenue	613,831	
GST on Production Revenue	30,692	1
Royalty Revenue	43,366	
Joint Interest and Miscellaneous Revenue	84,063	
Total Receipts	<u>884,460</u>	
Disbursements		
Production Accountant	22,955	
Royalty Accountant	18,998	
Joint Venture Accountant	15,995	
Operations Consultant	169,396	
Operating Expenses	55,878	
Capital Expenses	39,121	
Reserve Report (Semi Mechanical Update)	28,500	
JV & Geo Nexus Licenses	4,600	
Sale of Assets - Work Fee	35,000	
Insurance	23,887	2
Receiver's Legal Fees	65,309	
Crown Royalties	33,432	3
Gross-Overriding & Freehold Royalties	21,602	4
Mineral Leases	10,393	
Surface Leases and Land Rentals	31,316	5
Payments to Joint Venture Partners	37,281	
Property Taxes	1,132	
GST Paid	22,820	
GST Remittances	3,345	
Miscellaneous Disbursements	5,531	
Total Disbursements	<u>646,490</u>	
Excess of Cash Receipts over Cash Disbursements	<u><u>\$ 237,970</u></u>	

Notes:

1. Net GST Payable (Refund)	
GST on Production Revenue	\$ 30,692
GST Paid	22,820
	<u>7,872</u>
Less GST remittances	3,345
Net GST Payable (Refund)	<u><u>4,527</u></u>

2. Insurance coverage has been paid in full to October 8, 2009.

3. Crown Royalties have been paid in full up to December 31, 2008.

4. Payments are for the months of September through November 2008.

5. Payments are for annual leases due January through March 2009.

SCHEDULE 6



January 26, 2009

Deloitte & Touche LLP
3000 Scotia Centre, 700 – 2nd Street SW
Calgary, Alberta T2P 0S7

Attention: **Ms. Vanessa A. Grant, B.Comm, CIRP**
Vice President

Dear Vanessa:

RE: **Apex Energy (Canada) Inc.**
Receivership Sale
Marketing Update

Further to the Engagement Agreement dated January 14, 2009 whereby Deloitte & Touche Inc. in their capacity as Receiver and Manager of Apex Energy (Canada) Inc. ("Apex") and not in their personal capacity ("Deloitte" or the "Receiver") has engaged the services of Sayer Energy Advisors ("Sayer", "we" or "us") to act as financial advisor and agent with respect to the sale in whole or in part (the "Transactions") of the assets of Apex (the "Properties"), we have received and reviewed preliminary information relating to the Properties and we offer these observations and recommendations regarding the contemplated sale process.

Qualifications of Sayer

Sayer has provided a number of corporate advisory and merger and acquisition services to the oil and natural gas community for twenty-two years. These services have included but are not limited to the following: corporate sales; oil and natural gas property sales; advice to corporations involved in mergers and/or sales transactions; fairness opinions; expert witness testimony; private and public valuation opinions; oil and natural gas transaction analysis and oil and natural gas acquisition services.

In addition to the aforementioned services, our research team prepares a quarterly review and analysis of all oil and natural gas transactions concluded in Canada. This keeps us up to date at all times with not only the market price of assets, but also which parties are currently active in the acquisitions and divestitures marketplace.

Property Overview

Properties

There are approximately 45 separate Properties, located in diverse geographical areas extending from southeastern Saskatchewan to northern Alberta. There is a concentration of producing assets in central Alberta, in the general Joffre/Penhold area.



Wells

The Properties contain varying working interests and royalty interests in 183 wells; 36 of the 183 wells are royalty wells. Of the 147 working interest wells, only 44% (65) are producing, the balance are suspended, shut-in or have been abandoned and are in need of reclamation. Eleven of the Properties and 31 of the wells are operated by Apex, the balance are operated by 28 different operators.

The 11 Properties operated by Apex contain 31 wells, of which seven are currently producing oil and one is producing natural gas. The remaining 23 wells are suspended, shut-in or have been abandoned and are in need of reclamation.

The 34 Properties operated by third parties contain 152 wells, of which 36 are royalty wells and 116 are working interest wells. 59 of the working interest wells are suspended, shut-in or have been abandoned and are in need of reclamation and 57 are producing.

Discussion of the Marketing of the Properties

A&D Market Overview

As a result of the current economic situation, including the recent decrease in oil and natural gas prices and the reduction in capital available to the oil and natural gas industry, the A&D marketplace for oil and natural gas properties has changed considerably since September 2008. Junior oil and natural gas companies, traditionally the target audience for a disposition of assets similar to the Properties, are suffering from a shortage of capital due to drastic reductions in cash flow and tightening of credit facilities. In response to this, only premium quality assets are even considered for purchase by most prospective purchasers. Lower quality assets are generally not selling in the current marketplace. If these types of assets do sell the prices realized are substantially lower than those realized from the sale of higher quality assets.

Potential Marketing Approaches for the Properties

1. Public Marketing of all Properties as a Single Transaction

Due to concerns regarding the potential to transfer well licenses and the desire to sell all of the Properties it was initially determined that the Properties should all be publicly marketed together, to be sold to one purchaser in one transaction. In light of the nature and quality of the Properties as previously discussed (lack of geographical focus, substantial number of non-operated properties, large number of well abandonment and restoration liabilities, etc.) we are of the strong opinion that such a marketing attempt will be unsuccessful. Even without the challenges facing the current A&D marketplace, as previously discussed, the chance of concluding such a sale would be extremely unlikely.

2. Public Marketing of all Properties as a Number of Transactions

Should all of the Properties be marketed publicly with an opportunity for prospective purchasers to present proposals to acquire individual Properties, the expected result would be that a small number of the higher quality Properties would attract the attention of some bidders; however the majority of the Properties, being of low quality, would not receive any

bids and would not sell. This is counter to the objective of selling all of the Properties and would leave Deloitte with a large number of Properties requiring capital expenditures to abandon wells and to reclaim well sites. This is not a recommended marketing approach for this assignment.

3. Targeted Marketing of Packages of Assets

Subsequent to our review of the Properties we have grouped many of the Properties into packages. Each package includes not only producing Properties but also non-producing Properties which are in the same general area as the producing Properties. From our knowledge of the current active participants in the A&D marketplace, we have compiled a list of potential purchasers which we believe would have interest in reviewing the packages for purchase. This list includes parties that are known to have previously expressed interest in potentially acquiring some of the Properties.

We believe that a targeted marketing approach, where a number of prospective purchasers are approached and requested to present an offer to purchase certain of the Properties will be the most efficient and effective way to achieve the objective of selling the maximum number of the Properties for the maximum return to the creditors of Apex.

Through our initial review of the Properties we have determined that there are a number of companies which have interest in specific Properties and that may be interested in presenting proposals to acquire these Properties. In addition, through recent marketing of assets similar in nature to some of the Properties, we are aware of a number of other parties which may be interested in acquiring some of the Properties.

These parties include *Barnwell Canada, CNRL, Leys Energy, Talisman, ConocoPhillips, Arsenal Energy, Sabre, TAQA, Penn West Energy Trust, Signalta Resources Limited, Freehold Royalty Trust, Caneol Energy, Range Royalty Management* and others. We recommend that these companies be approached and presented with the opportunity to present a proposal to acquire the Properties which we are interested in selling to them. These Properties will be presented to each of the companies in package form, such that Properties that are determined by us to have low to negative value are included with better Properties in each package. With careful packaging we should be able to maximize the number of Properties sold as well as the sales proceeds.

In addition to the targeted marketing, we will send out marketing packages with information relating to many of the Properties to a broad distribution of companies. These packages will be ones which are determined to appeal to a broader audience, such as the 5 boe/d royalty package which will be of interest to very many individuals and companies. The two approaches will ensure that the maximum exposure is gained and that ultimately the maximum number of Properties are sold.

It is unknown at this time how many packages will be prepared, as there will be an evolution of the packages as we move through the process. We will endeavour to have all proposals received by Sayer at the same time, tentatively in mid-March, as per the following timeline.

4. Timeline

We have modified our previously prepared timeline for the marketing of the Properties to incorporate the anticipated time of receipt of current information that is critical to the marketing of the Properties. The revised timeline, which is conditional upon receipt of revised engineering reports for the Properties, is as follows:

- | | |
|----------------------|--|
| a. Ongoing: | preparation of marketing materials |
| b. February 1, 2009 | receipt of updated operating income statements |
| c. February 9, 2009 | receipt of reserves report |
| d. February 9, 2009 | finalization of marketing material |
| e. February 12, 2009 | commencement of marketing of the Properties |
| f. March 19, 2009 | receipt of final offers to purchase the Properties |
| g. Late March, 2009 | finalize discussions with prospective purchasers |
| h. April 2009 | close transactions |

If you have any further questions relating to this update please do not hesitate to contact the undersigned at 403.266.6133.

Sincerely,

SAYER ENERGY ADVISORS

ORIGINAL SIGNED BY



Alan W. Tambosso, P.Eng. P.Geol.
President

SCHEDULE 7

**Property Divestiture:
112 boe/d
Apex Energy (Canada) Inc., in Receivership**



Sayer Energy Advisors has been engaged to assist Deloitte & Touche Inc. in its capacity as Receiver and Manager (“Deloitte” or the “Receiver”) of Apex Energy (Canada) Inc. (“Apex” or the “Company”) and not in its personal capacity in divesting all of the natural gas and light oil properties held by Apex (the “Properties”). Recent production from the Properties net to the Company is approximately 112 boe/d.

Detailed information relating to this divestiture is available on the Internet at www.sayeradvisors.com or by contacting the Sayer office at 403.266.6133.

OVERVIEW

The Receiver is offering for sale Apex’s working interests in 45 Properties, which have been assembled into seven packages of producing and non-producing natural gas and oil properties (the “Packages”). Recent daily production net to Apex from the Properties has averaged approximately 112 boe/d, which is comprised of roughly 535 Mcf/d of non-associated natural gas, 23 barrels of oil per day and minor volumes of natural gas liquids per day.

The location of each of the Properties and Packages, most of which are in Alberta, is illustrated on the plat on the last page of this brochure.

PROCESS & TIMELINE

Sayer Energy Advisors is accepting bids until 12:00 pm on **Thursday, May 7, 2009**. Due to the nature of this disposition, the Properties will be acquired on an “as is how is where is” basis, with the purchaser receiving title that is free and clear of all liens and charges. As this is a receivership sale with the objective of divesting of all of the Properties, bids will be considered on the individual Packages only and not portions thereof.

Prospective purchasers will be notified as to the success of their offers as soon as possible after the bid deadline. Successful purchasers will then be granted a short time period to conclude due diligence, following which a purchase and sale agreement will be executed. Any purchase and sale agreement will be subject to the subsequent approval of the Court of Queen’s Bench of Alberta. Closing will occur immediately upon Court approval being granted.

Timeline	
April 6, 2009	Preliminary Information Distributed
March 30, 2009	Data Room Opens
May 7, 2009	12:00 Bid Deadline
May 1, 2009	Effective Date
May 2009	Closing Date

Sayer Energy Advisors does not conduct a “second-round” bidding process; the intention is to attempt to close the sale of the individual Packages with the parties submitting the most acceptable proposals at the conclusion of the process.

Sayer Energy Advisors is accepting bids from interested parties until noon on Thursday, May 7, 2009.



WELLS & PRODUCTION

This offering consists of seven Packages with working interests in 45 Properties on which there are 67 producing natural gas wells and 15 producing oil wells, as well as a large number of shut-in natural gas wells and shut-in oil wells. A complete well list is available at www.sayeradvisors.com. The working interests shown below reflect Apex's interests in the wells only.

PACKAGE	WORKING INTEREST RANGE	WELL COUNT				RECENT NET SALES VOLUMES		
		gas	oil	SI/sus	Abd	Gas Mcf/d	Oil/ngl bbl/d	Total boe/d
SE Alberta	ORR-90%	7	0	18	15	36	-	6.0
Provost Area	60%	2	2	5	2	0.6	1.5	1.6
Hillsdown/Joffre	60%	52	1	28	5	380	5.1	68.4
W5 Central	60%	1	7	7	6	15	14.5	17.0
W5 North	12.5%	4	4	2	3	85	1.7	15.9
Wandering River	5%-20%	1	0	7	0	20	-	3.3
SE Saskatchewan	15%	0	1	4	1	-	0.1	0.1
TOTAL		67	15	71	32	537	23	112

RESERVES & VALUE

Trimble Engineering Associates Ltd. ("Trimble") prepared an independent engineering report on many of the Properties effective August 31, 2007 and then updated the well status, production and decline analysis for the producing wells without reviewing non-producing well estimates, volumetric or material balance estimates, future capital estimates or operating income statements to produce a "semi-mechanical update" of its report, effective December 31, 2008 using Trimble's 2009-01-01 pricing (the "Trimble Report").

Total proved plus probable reserves from the evaluated properties was estimated at December 31, 2008 to be approximately 281,000 barrels of oil equivalent, with an estimated net present value of approximately \$4.9 million using Trimble's January 2009 forecast pricing at a 15% discount.

Detail regarding the reserves evaluations of the individual Properties is available at www.sayeradvisors.com.

PACKAGE	COMPANY INTEREST RESERVES (Proved plus Probable)					Recent Production boe/d
	Oil Mbbbl	Natural Gas MMcf	Ngil Mbbbl	Total Mboe	PV 15% \$000	
SE Alberta	10	91	0	25	\$392	6.0
Provost Area	No reserves assigned					1.6
Hillsdown/Joffre	2	806	14	151	\$2,964	68.4
W5 Central	20	267	6	70	\$928	17.0
W5 North	4	90	0	19	\$330	15.9
Wandering River	0	99	0	17	\$252	3.3
SE Saskatchewan	No reserves assigned					0.1
TOTAL	36	1,353	20	281	\$4,865	112

The reserve estimates and forecasts of production and revenues for the Properties were prepared within the context of Apex's year-end evaluation, which was an evaluation of all of the Company's properties in aggregate. Extraction and use of any individual property evaluation outside of this context may not be appropriate without supplementary due diligence. Values in the "Total" row may not correspond to the total of the values presented due to rounding.



PROPERTY PACKAGE ATTRIBUTES AND UPSIDE

SE Alberta Package

Township 1-37, Range 3W4-16W4

Apex holds varying working interests in 15 properties in southeastern Alberta. The Company holds working interests in properties at *Black Butte, Manyberries, Hays, Pivot, Jenner, Deer, Youngstown, Sullivan Lake, Halkirk* and *Castor* and royalty interests at *Princess South, Sunnynook, Drumheller, Richdale* and *Fenner*.

There is a minor amount of production associated with the royalty properties at *Princess South, Richdale* and *Fenner* as well as working interest production from the *Castor* property. The Company holds a 100% interest in one oil well at *Sullivan Lake* which is currently suspended but is capable of producing from 10-12 bbl/d. Total daily production net to Apex from the SE Alberta package is approximately 36 Mcf/d (6.0 boe/d).

Provost Area Package

Township 30-45, Range 29W3-8W4

Apex holds varying working interests in five properties in the Provost area of Alberta. The Apex-operated *Provost* property is currently producing sporadic daily volumes of oil (less than 3.0 bbl/d) from two producing Dina oil wells however it is believed that with high volume lift this property could produce significant daily volumes of oil. Offsetting similar oil pools in the Provost area produce extremely well with high volume lift. In addition to the Dina oil wells, Apex holds a minor working interest in a low-rate Mannville natural gas well just inside the Saskatchewan border at *Antelope*.

Hillsdown/Joffre Package

Township 35-62, Range 14W4-3W5

Apex holds varying working interests in 11 properties in the *Hillsdown/Joffre* area of east central Alberta, including a 0.5834% working interest in the *Joffre Viking "I" Pool Unit Number 1*. The Hillsdown/Joffre Package accounts for most of the value of the assets of Apex, with recent net production of approximately 380 Mcf/d and 5 bbls/d, or approximately 68 boe/d coming from this area.

A large percentage of the value in the Hillsdown/Joffre Package comes from Apex's interest in the *Hillsdown & Penhold* properties. These properties produce natural gas from the Belly River, Viking and Mannville Formations, as well as CBM from the Horseshoe Canyon. Many of the Belly River wells on these properties produce from multiple sands and coals, with low decline production rates ranging from 100 Mcf/d to 500 Mcf/d.

Apex owns a minor working interest in two natural gas compressors which handle the bulk of the production from this area. There is some third party processing revenue realized from these facilities interests.

W5 Central Package

Township 37-52, Range 5-15W5

Apex holds varying working interests in five properties in central Alberta. The Company holds working interests in properties at *Peco, Highvale* and *Tomahawk* and royalty interests at *Ricinus West* and *Pembina*.

At *Peco*, Apex operates two wells, one oil well and one natural gas well. Apex operates a number of high working interest oil wells at *Highvale* and *Tomahawk*, from which it is currently producing a net of 14 bbl/d.

W5 North Package

Township 68-87, Range 2-22W5

Apex holds varying working interests in four properties in north central Alberta. The Company holds non-operated working interests in a producing oil and natural gas property at *Mitsue*, as well as non-operated minor working interests and royalty interest in non-producing properties at *Sturgeon, Utikuma* and *Evi*. Net production to Apex from *Mitsue* is approximately 85 Mcf/d and 1.7 bbl/d, for a total of approximately 16 boe/d.





Wandering River Package

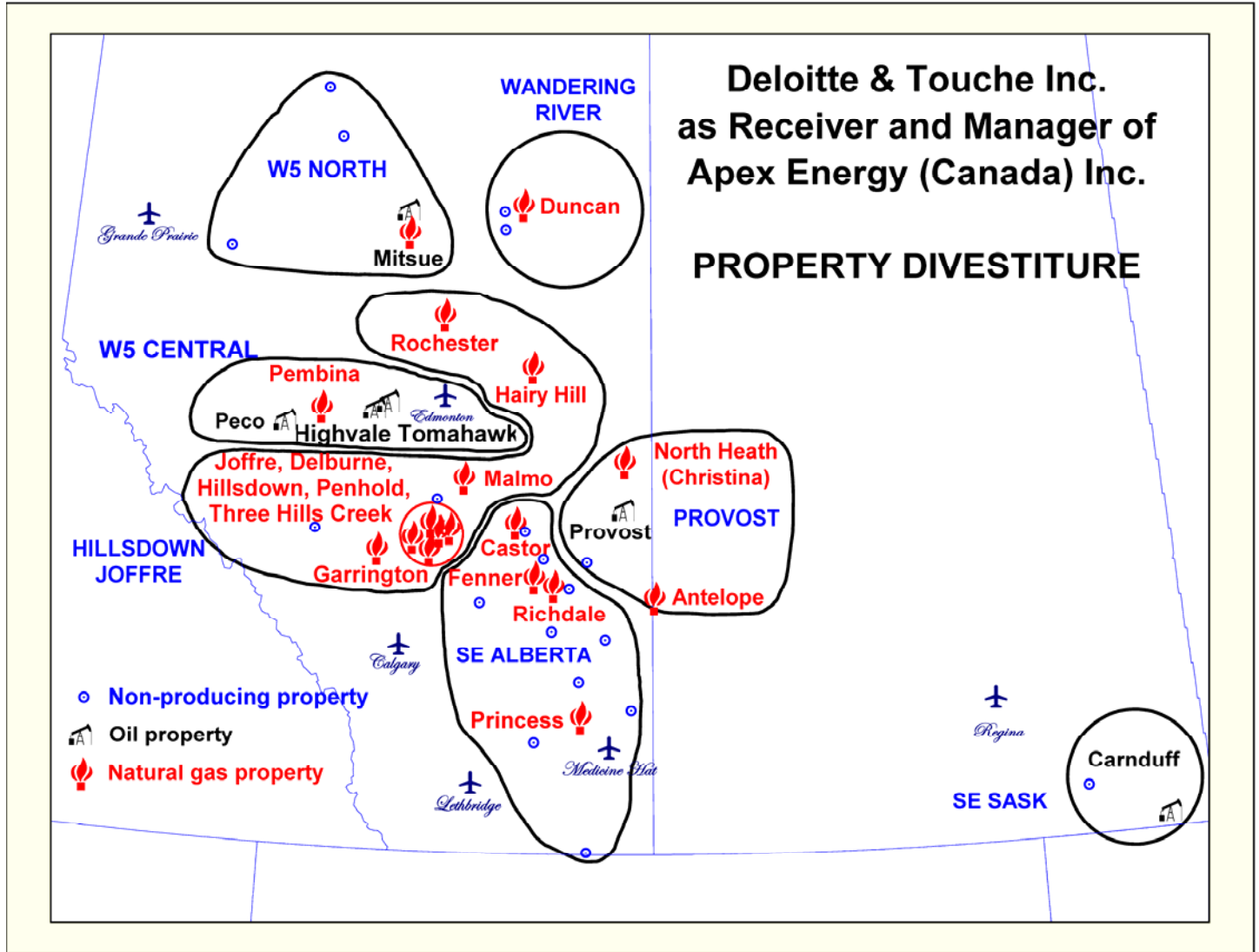
Township 72-76, Range 15-17W4

Previous drilling has proven the existence of natural gas in several Cretaceous prospects on the lands in this Package. One of these prospects is currently producing natural gas at a rate of approximately 80 Mcf/d, and other Cretaceous prospects have natural gas pay indicated on logs in uphole formations. There is one Grosmont prospect which has been completed and proven to be productive for natural gas production.

SE Saskatchewan Package

Township 2-6, Range 1-10W2

Apex holds varying royalty interests in two properties in southeastern Saskatchewan, at *Carnduff* and *Midale*. The Company holds a 5% GOR interest in one producing Frobisher oil well at *Carnduff*.



CONTACT

Parties wishing to receive a detailed Confidential Information Package with additional information relating to this opportunity should execute the Confidentiality Agreement which is available at www.sayeradvisors.com, and return one copy to Sayer Energy Advisors by courier or fax (403.266.4467). Included in the Confidential Information Package is the following: detailed land information, the Trimble Report, most recent net operations summary and other relevant technical information. To schedule a time to visit the Data Room please contact Tom Pavic, Crystal Holdershaw, Ryan Ferguson Young or Alan Tambosso at 403.266.6133.



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

Between:

ALBERTA TREASURY BRANCHES

Plaintiff (Applicant)

-and-

APEX ENERGY (CANADA) INC.

Defendants (Respondents)

**FIRST REPORT OF THE COURT-APPOINTED RECEIVER OF
APEX ENERGY (CANADA) INC.**

DELOITTE & TOUCHE INC.

April 2, 2009

Borden Ladner Gervais LLP

Barristers and Solicitors
1000 Canterra Tower
400 Third Avenue SW
Calgary, AB T2P 4H2

Attention: H. David McLellan

Telephone: (403) 232-9516

Fax: (403) 266-1395

File No. 406200/3