

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

IN THE MATTER OF section 193 of the *Business Corporations Act*,  
(Alberta) R.S.A. 2000, c. B-9

AND IN THE MATTER OF a Plan of Arrangement under the *Business Corporations Act* (Alberta) proposed by CARIBOU RESOURCES CORP. involving CARIBOU RESOURCES CORP. and certain of its securityholders and JED Oil Inc.

**PETITION**

TO: THE COURT OF QUEEN'S BENCH OF ALBERTA, JUDICIAL DISTRICT OF CALGARY

THE PETITIONER, CARIBOU RESOURCES CORP., STATES AS FOLLOWS:

1. The Petitioner, Caribou Resources Corp. ("Caribou") applies for an Interim Order (a copy of which is attached as Schedule "A" to the Notice of Motion filed in these proceedings) of this Honourable Court pursuant to section 193 of the *Business Corporations Act*, (Alberta) R.S.A. 2000, c. B-9 (the "ABCA") providing for the calling, holding and conduct of a meeting of holders (collectively, "Securityholders") of common shares, options or share purchase warrants to acquire common shares of Caribou, on July 30, 2007 at 2:00 p.m. to consider and, if thought fit, approve the proposed Plan of Arrangement (the "ABCA Arrangement") affecting and involving Caribou, the Securityholders and JED Oil Inc. ("JED").
2. The Petitioner Caribou applies for an Order of this Honourable Court pursuant to s. 193 of the ABCA:
  - (a) limiting the level of disclosure required with respect to the notice of meeting and management proxy circular to be prepared in respect of the ABCA Arrangement;

- (b) exempting Caribou from more fulsome disclosure, and specifically directing that the information circular will not have to include financial statements or be prepared in compliance with form 51-102F5 under National Instrument 51-102, Continuous Disclosure Obligations; and
- (c) approving the form, content and sufficiency of the information circular which is attached as Exhibit "C" to the Affidavit of Ross G. Robertson filed in these proceedings ("Information Circular").

### **Grounds**

3. The grounds for the relief sought are that:

- (a) Caribou is a body corporate amalgamated under the ABCA. JED is also a body corporate incorporated under the ABCA;
- (b) the registered office for Caribou is located in Calgary, Alberta and the registered office for JED is located in Didsbury, Alberta;
- (c) the implementation of Caribou's *Companies' Creditors Arrangement Act (Canada)* Plan of Arrangement (the "CCAA Plan") and the ABCA Arrangement are each conditional upon each receiving all required approvals and the failure to approve and implement the CCAA Plan and the ABCA Arrangement may result in the loss of any potential value for the creditors and Securityholders of Caribou;
- (d) Caribou proposes to hold a special meeting ("Securityholders Meeting") of its Securityholders on July 30, 2007 at 2:00 p.m. at the Bankers Hall Auditorium, Room B/C, Lower Level A/P3, 315-8<sup>th</sup> Ave. S.W., Calgary, Alberta, to consider and vote upon the ABCA Arrangement which, if approved and implemented, will effectively lead to Caribou becoming a wholly-owned subsidiary of JED;
- (e) it is not practicable to effect the result contemplated by the ABCA Arrangement under any other provision of the ABCA;

- (f) the proposed ABCA Arrangement is fair and reasonable in all of the circumstances and will not adversely affect the Securityholders or creditors of Caribou;
- (g) limiting the level of disclosure with respect to the notice of meeting and information circular to be distributed to the Securityholders of Caribou for consideration of the ABCA Arrangement at the Securityholders Meeting and exempting Caribou from more fulsome disclosure, is reasonable in the circumstances because:
  - (i) the only currently existing alternative for Caribou to the ABCA Arrangement is the forced liquidation of Caribou's assets and extinguishment of any value for its Securityholders;
  - (ii) the Information Circular, explains the ABCA Arrangement and provides the Securityholders with sufficient information to consider and vote on it;
  - (iii) more fulsome disclosure would require financial statements prepared in compliance with form 51-102F5 under National Instrument 51-102, Continuous Disclosure Obligations and an information circular hundreds of pages long and would substantially increase the time and professional costs involved. This is so because National Instrument 51-102 provides for prospectus level disclosure on both JED and Caribou and preparation of *pro forma* financial statements on both corporations assuming the CCAA Plan and ABCA Arrangement are implemented. The incremental professional costs to Caribou's estate of preparing and circulating an information circular with prospectus level disclosure on both corporations is estimated to be about \$100,000;

- (iv) all continuous disclosure filings to date for each of JED and Caribou are already publicly available on SEDAR and reference to their availability is contained in the Information Circular;
  - (v) the Securityholders will not be prejudiced by the limited disclosure; and
  - (vi) the Securityholders will also have the benefit of the Monitor's recommendation regarding the ABCA Arrangement and any potential alternatives. Pursuant to paragraph 10 of the Order granted on June 14, 2007 in Caribou's CCAA proceeding, by no later than July 23, 2007, Deloitte & Touche Inc., the court-appointed Monitor for Caribou ("Monitor") will post on its website [www.deloitte.ca](http://www.deloitte.ca) under the Insolvency and Restructuring Link the Monitor's Report ("Monitor's Report") on the CCAA Plan, the ABCA Arrangement and the Monitor's recommendation(s) regarding same. Further, notice of the Monitor's Report will be provided to the Securityholders as referenced in the Notice to Securityholders on the first page of the Information Circular.
- (h) such further and other grounds as counsel for Caribou may advise and this Honourable Court may permit.
4. Notice of this application will be given to the Executive Director of the Alberta Securities Commission, as required by section 193 of the ABCA.

WHEREUPON YOUR PETITIONER PRAYS that the following relief be granted:

- (a) a declaration that the time for filing and service of the Petition, Notice of Motion, supporting Affidavit and Interim Order may be abridged;
- (b) an Interim Order and directions for:
  - (i) the calling, holding and conduct of the Securityholders Meeting to consider and vote on the ABCA Arrangement;

- (ii) the approval of the ABCA Arrangement requiring two-thirds of the votes cast by the Securityholders voting as one class, present in person or by proxy at the Securityholders Meeting;
  - (iii) the giving of notice of the Securityholders Meeting;
  - (iv) the manner of conducting the vote at the Securityholders Meeting;
  - (v) limitation of the disclosure required with respect to the notice of meeting and information circular to be distributed to the Securityholders for consideration of the ABCA Arrangement at the Securityholders Meeting and an exemption from more fulsome disclosure, including specifically a direction that the information circular will not have to include financial statements or be prepared in compliance with form 51-102F5 under National Instrument 51-102, Continuous Disclosure Obligations;
  - (vi) approval of the form, content and sufficiency of the Information Circular, and providing that an information circular substantially in the form and content of the Information Circular if sent to the Securityholders in compliance with the terms of the Interim Order will constitute sufficient disclosure to Securityholders;
  - (vii) the return of this Petition; and
  - (viii) such other matters as may be required for the proper calling, holding and conduct of the Securityholders Meeting;
- (c) an Order declaring that the rights of dissent of the Securityholders pursuant to the provisions of section 191 of the ABCA are to be applicable in the manner set forth therein, as modified by the ABCA Arrangement or further Order of this Court;
- (d) an Order directing that this Petition be heard in the Judicial District of Calgary; and

- (e) such further relief as the Petitioner may advise and this Court may consider appropriate.

DATED at the City of Calgary, in the Province of Alberta, this 21<sup>st</sup> day of June, 2007, AND DELIVERED BY BLAKE, CASSELS & GRAYDON LLP, Solicitors for Caribou, whose address for service is #3500, 855 – 2<sup>nd</sup> Street SW, Calgary, Alberta, T2P 4J8, Attention: A. Robert Anderson, Q.C. (260-9624).

ISSUED out of the office of the Clerk of the Court of Queen's Bench of Alberta, Judicial District of Calgary, this 21 day of June, 2007.

V.A. BRANDT  COURT SEAL

---

Clerk of the Court

**NOTICE**

It is intended to make an application to this Honourable Court to dispense with the service of the within Petition.

**DATED** at Calgary, Alberta this 21 day of June, 2007.

**BLAKE CASSELS & GRAYDON LLP**

Per: \_\_\_\_\_

A. Robert Anderson, Q.C.  
Counsel for Caribou Resources Corp.

Action No. 0701-06434

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

**IN THE MATTER OF** section 193 of the *Business Corporations Act* (Alberta), R.S.A. 2000, c. B-9

**AND IN THE MATTER OF** a Plan of Arrangement under the *Business Corporations Act* (Alberta) proposed by CARIBOU RESOURCES CORP. involving CARIBOU RESOURCES CORP. and certain of its securityholders and JED Oil Inc.

---

**PETITION**

---

Blake, Cassels & Graydon LLP  
Barristers & Solicitors  
3500, 855 Second Street SW  
Calgary, Alberta  
T2P 4J8

Attention: A. Robert Anderson, Q.C.  
Tel. No. (403) 260-9624  
Fax No. (403) 260-9700  
Our File No. 86708/1

