AlixPartners

COURT FILE NUMBER	**2401-05179**
COURT	**COURT OF KING'S BENCH OF ALBERTA**
JUDICIAL CENTRE	**CALGARY**
PROCEEDING	**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, RSC 1985, c. C-36, as amended** **AND IN THE MATTER OF THE COMPROMISE OR ARRANGEMENT OF ALPHABOW ENERGY LTD.**
DOCUMENT	**FIFTEENTH REPORT OF THE MONITOR** **AUGUST 20, 2026**

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ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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AlixPartners

Contents

Appendix

AlixPartners

1.0 Introduction

1. On March 28, 2024 (the "**Filing Date**"), Alphabow Energy Ltd. ("**Alphabow**", the "**Company**", or the "**Applicant**") filed a Notice of Intention to Make a Proposal ("**NOI**"), pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") (the "**NOI Proceeding**"). AlixPartners Restructuring, Inc.[1] ("**Alix**") consented to act as proposal trustee (the "**Proposal Trustee**") in the NOI Proceeding.

2. On April 26, 2024, the Applicant sought and obtained an initial order (the "**Initial Order**") from the Court of Kings' Bench of Alberta (the "**Court**") granting, among other things, a continuation of the NOI Proceedings under the *Companies' Creditors Arrangement Act,* R.S.C. 1985, c C-36, as amended (the "**CCAA**") (the "**CCAA Proceeding**"). This report (the "**Fifteenth Report**") is filed by Alix in its capacity as monitor (the "**Monitor**") in the CCAA Proceeding.

3. The Initial Order granted, among other things, the following relief within the CCAA Proceeding:

    a) declaring the NOI Proceeding previously filed by the Applicant is taken up and continued under the CCAA, pursuant to section 11.6(a) of the CCAA;

    b) terminating the NOI Proceeding;

    c) granting a stay of all proceedings, rights, and remedies against or in respect of the Applicant until May 6, 2024 (the "**Stay Period**"); and

    d) granting a charge to not exceed $100,000 as security for the fees and disbursements of the Monitor, the Monitor's counsel, Cassels Brock & Blackwell LLP ("**Cassels**"), and the Applicant's counsel, Bennett Jones LLP ("**Bennett Jones**") (the "**Administration Charge**"), against the Applicant's current and future assets, undertakings and properties of every nature and kind whatsoever (including all real and personal property), and wherever situated, including all proceeds thereof (collectively the "**Property**").

4. Further on April 26, 2024, the Court granted the Applicant's application for an amended Initial Order (the "**ARIO**") which included, amongst other matters, the following relief:

    a) extending the Stay Period to, and including, July 31, 2024; and

    b) increasing the quantum of the Administration Charge to $500,000.

[1] Effective June 1, 2026, Alix was substituted in place of KSV Restructuring Inc. as Court Officer in these proceedings pursuant to an order dated May 27, 2026 issued by the Court of King's Bench of Alberta. The professionals involved in this mandate from the outset remain unchanged.

5. In addition, on April 26, 2024, the Court granted the Applicant's application for a sale and investment solicitation process order (the "**SISP Order**") which includes, amongst other matters, the following relief:

   a) approval of a sale and investment solicitation process ("**SISP**"); and

   b) authorizing the Monitor and Sayer Energy Advisors (the "**Sales Advisor**") to conduct the SISP and approving the engagement agreement between the Applicant and the Sales Advisor.

6. Finally, on April 26, 2024, the Court approved the Applicant's application for a sale approval and vesting order approving the sale transaction pursuant to the purchase and sale agreement dated April 15, 2024, between Alphabow and Cascade Capture Ltd. This transaction subsequently closed on May 8, 2024.

7. On July 23, 2024, the Court granted an extension to the Stay Period to August 31, 2024. The Stay Period was then subsequently extended to September 30, 2024, by an order issued by this Court on August 27, 2024.

8. On September 20, 2024, the Court granted Alphabow's applications for:

   a) a sale approval and vesting order approving a sale transaction (the "**Cenovus Transaction**") pursuant to the purchase and sale agreement dated September 4, 2024, between Alphabow and Cenovus Energy Inc. The Cenovus Transaction subsequently closed on October 2, 2024;

   b) an order authorizing Alphabow to undertake a claims process for the purpose of ascertaining the quantum of cure costs associated with certain assets included as part of the SISP; and

   c) an order, which amongst other things, extended the Stay Period to, and including, October 31, 2024.

9. On November 4, 2024, the Court granted Alphabow's applications for multiple sale approval and vesting orders approving several transactions pursuant to purchase and sale agreements between Alphabow and various parties (the "**November 4th Transactions**"). All of the November 4th Transactions have now closed. Further on November 4, 2024, the Court granted Alphabow's application for an Order, which amongst other things, extended the Stay Period to, and including, November 29, 2024.

10. On November 5, 2024, on application by the Company, the Court declared that two royalty agreements between Alphabow and Advance Drilling Ltd. did not create an interest in land and will be vested off as part of the sale of Alphabow's assets.

11. On November 21, 2024, the Court granted Alphabow's applications for multiple sale approval and vesting orders approving several transactions pursuant to purchase and sale agreements entered between Alphabow and various parties (the "**November 21st Transactions**"). All of the November 21st Transactions have since closed or are no longer being pursued. Further on November 21, 2024, the Court granted Alphabow's application for an Order, which amongst other things, extended the Stay Period to, and including, December 31, 2024.

12. On December 19, 2024, the Court granted Alphabow's applications for multiple sale approval and vesting orders approving several transactions pursuant to purchase and sale agreements between Alphabow and various parties including:

    a) North 40 Resources Ltd. ("**North40**");

    b) 2628071 Alberta Ltd. ("**071 AB**" or referred to as "**Resurgent**"); and

    c) 2628069 Alberta Ltd. ("**069 AB**" or referred to as "**Cascade**").

13. The North 40 sale approval and vesting order was amended and restated on January 21, 2025, to reflect amendments to Schedule "F" of the sales agreement between Alphabow and North 40. Such amendments corrected omissions in the schedule of registrations to be transferred.

14. Also on December 19, 2024, the Court granted Alphabow's applications for:

    a) an approval and reverse vesting order (the "**RVO**"), approving, among other things, the transaction (the "**Resurgent Transaction**") for the transfer of all the common shares of Alphabow to Resurgent pursuant to an Amended and Restated Subscription Agreement dated December 16, 2024 (the "**Subscription Agreement**"); and

    b) an order, which amongst other things, extended the Stay Period to, and including, February 14, 2025 (the "**December Stay Extension Order**") and required Alphabow to pay to the Monitor from the proceeds of transactions contemplated in paragraph 4 of the Seventh Li Affidavit a holdback amount of $3 million from net proceeds from the transactions to satisfy the pre and post filing amounts claimed by the Orphan Well Association ("**OWA**") for the provision of reasonable care and measures costs ("**RCAM Amounts**"). The provision in the December Stay Extension Order related to RCAM Amounts was without prejudice to the ability of the Municipalities to advance opposition to the payment of pre-filing amounts at the application scheduled on January 8, 2025.

15. On January 8, 2025, the Court granted Alphabow's application for an Order amending the December Stay Extension Order, reducing the RCAM Amounts from $3.0 million to $1.9 million (the "**RCAM Holdback**"). The net RCAM Holdback is held in the Monitor's trust account and continues to be used to fund ongoing RCAM Amounts as they are incurred. A summary of the amounts paid to date from the RCAM Holdback are summarized below in Section 5.0.

16. On February 4, 2025, the Court granted Alphabow's application for an Order extending the Stay Period to, and including, May 9, 2025.

17. On February 25, 2025, the Court granted Alphabow's application for:

    a) a sale approval and vesting order approving a sale transaction pursuant to a purchase and sale agreement between Alphabow and 2661707 Alberta Ltd. ("**707 AB**") dated February 18, 2025;

    b) a sale approval and vesting order approving a sale transaction pursuant to a purchase and sale agreement between Alphabow and Response Energy Corporation dated February 14, 2025; and

    c) an Order assigning Alphabow's interest in an agreement dated February 3, 1978, between Hudson's Bay Oil and Gas Company Limited and Westcoast Petroleum Ltd. to Signalta.

18. On May 8, 2025, the Court granted Alphabow's application for an extension of the Stay Period to, and including, September 30, 2025.

19. On June 26, 2025, the Court granted an Order, which authorized certain amendments to the purchase and sale agreements between Alphabow and 071 AB, 069 AB, and 707 AB.

20. On September 22, 2025, the Court granted an Order which, among other things, extended the Stay Period to, and including, March 31, 2026.

21. On November 19, 2025, the Company filed an application for permission to appeal the order of the Honourable Justice Bourque which dismissed the Company's application heard on September 15, 2025 for a declaration that any request by the Alberta Energy Regulator ("**AER**") for a security deposit is stayed and the failure of the Company to pay a security deposit cannot be relied upon for the purposes of considering whether to approve a license transfer application. The leave to appeal was heard on January 22, 2026, and on February 9, 2026, the Company's application for leave for appeal was denied.

22. On March 30, 2026, the Court issued an order which among other things, extended the Stay Period to, and including June 30, 2026.

23. On June 26, 2026, the Court pronounced an Order (the "**Enhanced Powers Order**"), which among other things:

    a) enhanced the rights, powers and obligations of the Monitor; and

    b) extended the Stay Period to, and including August 28, 2026.

24. On June 30, 2026, the Court pronounced an Order (the "**Investigative Powers Order**"), which among other things, empowered the Monitor to conduct an investigation, including examinations under oath of any Person whom the Monitor believes has information relating to the Allegations (defined below).

1.1 Purposes of this Fifteenth Report

1. This Fifteenth Report is intended to provide the Court with further information related to the relief sought by the Monitor in its application scheduled for a hearing on August 25, 2026. This Fifteenth Report specifically provides information regarding:

   a) an update on the SISP;

   b) an update on the Monitor's continuing efforts to investigate the Allegations (defined below);

   c) a statement of receipts and disbursements of the funds held by the Monitor;

   d) an Order (the "**Stay Extension Order**"), among other things:

      i. extending the Stay Period to, and including December 31, 2026 (the "**Stay Extension**"); and

      ii. approving the Monitor's previous reports[2] and the activities described therein and this Fifteenth Report and the activities as described herein; and

      iii. approving the professional fees and disbursements of Alix, in its capacity as Proposal Trustee and Monitor, and its legal counsel, Cassels, as set out herein, without the necessity of a formal passing of accounts; and

   e) the Monitor's comments and recommendations.

1.2 Scope and Terms of Reference

1. In preparing this Fifteenth Report, except as expressly stated to the contrary herein, the Monitor has relied upon the Applicant's unaudited financial information, books and records, information available in the public domain, and prior discussions with the Applicant's former management and former legal counsel.

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[2] The Monitor's Previous Reports consist of the First Report of the Monitor dated July 18, 2024, the Second Report of the Monitor dated August 21, 2024, the Third Report of the Monitor dated September 13, 2024, the Fourth Report of the Monitor dated October 29, 2024, the Fifth Report of the Monitor dated November 19, 2024, the Sixth Report of the Monitor dated December 13, 2024, the Seventh Report of the Monitor dated January 30, 2025, the Eighth Report of the Monitor dated February 21, 2025, the Ninth Report of the Monitor dated May 2, 2025, the Tenth Report of the Monitor dated June 19, 2025, the Eleventh Report of the Monitor dated September 18, 2025, the Twelfth Report of the Monitor dated January 15, 2026, the Thirteenth Report of the Monitor dated March 26, 2026 and the Fourteenth Report of the Monitor dated June 24, 2026 (collectively, the "**Previous Reports**").

2. The Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this Fifteenth Report in a manner that complies with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the financial information should perform its own due diligence.

3. This Fifteenth Report should be read in conjunction with the First Li Affidavit, sworn April 15, 2024, the Supplement to the First Li Affidavit, sworn April 24, 2024, the Second Li Affidavit, sworn July 15, 2024, the Third Li Affidavit, sworn August 15, 2024, the Fourth Li Affidavit, sworn September 9, 2024, the Fifth Li Affidavit, sworn October 21, 2024, the Sixth Li Affidavit, sworn November 12, 2024, the Supplement to the Sixth Li Affidavit, sworn November 18, 2024, the Seventh Li Affidavit, sworn December 9, 2024, the Supplement to the Seventh Li Affidavit, sworn December 16, 2024, the Eighth Li Affidavit, sworn January 27, 2025, the Ninth Li Affidavit, sworn February 18, 2025, the Supplement to the Ninth Li Affidavit, sworn February 20, 2025, the Tenth Li Affidavit, sworn April 28, 2025, the Eleventh Li Affidavit, sworn June 17, 2025, the Twelfth Li Affidavit, sworn September 15, 2025, the Thirteenth Li Affidavit, sworn March 23, 2026 (the "**Li Affidavits**") and the Monitor's Previous Reports.

1.3 Currency

1. Unless otherwise noted, all currency references in this Fifteenth Report are in Canadian dollars.

1.4 Court Materials

1. Court materials filed in these proceedings are made available by Alix on its case website at https://cdncases.alixpartners.com/experience/case/alphabow.

2.0 Investigation into the Allegations

2.1 Allegations

1. As discussed in the Monitor's fourteenth report dated June 24, 2026 (the "**Fourteenth Report**"), on June 16, 2026, the Monitor was made aware of allegations that Alphabow's former corporate officer, Mr. Ben Li, may have personally, or through an entity he controls, withdrawn funds from Alphabow's bank account (the "**Allegations**").

2. Following an initial investigation into the Allegations, the Monitor concluded on a preliminary basis that approximately $9 million had been wrongfully withdrawn from the Company's bank account, and the withdrawal of such amounts were consistently and deliberately concealed from the Monitor throughout these CCAA Proceedings (collectively, the "**Misappropriation**").

3. Further information on the Monitor's findings from its initial investigation into the Misappropriation can be found in Section 3.0 of the Fourteenth Report.

2.2 Continued Investigation

1. Following the issuance of the Investigative Powers Order, the Monitor, with assistance from its legal counsel, performed the following activities on July 13, 2026 to advance its investigation into the Misappropriation:

   a) delivered an information request to Mr. Li, requesting he provide information on the Misappropriation within fifteen days (the "**Li Information Request**");

   b) delivered a notice of appointment for questioning requiring Mr. Li's attendance for a questioning on July 27, 2026 (the "**Notice for Questioning of Mr. Li**"); and

   c) delivered an information request to Mr. Rick Ironside, requesting he provide information on the Misappropriation and any correspondence he may have had with Mr. Li (the "**Ironside Information Request**") and requesting he attend an examination to be scheduled at a later date.

2. Copies of the Li Information Request, Notice for Questioning of Mr. Li, and the Ironside Information Request are attached hereto as **Appendices "A" through "C"**.

3. Following this, on July 17, 2026, Mr. Li's legal counsel submitted an application for permission to appeal and stay the enforcement of certain provisions of the Enhanced Powers Order and the Investigative Powers Order as such provisions relate to Mr. Li (the "**Permission to Appeal Application**"). The Permission to Appeal Application was heard on August 5, 2026. A copy of the Permission to Appeal Application is attached hereto as **Appendix "D"**.

4. The Monitor viewed it as appropriate to delay the Notice For Questioning pending the outcome of the Permission to Appeal Application.

5. On August 14, 2026, the Alberta Court of Appeal issued its reasons for decisions of the Honourable Justice Jane Fagnan which, among other things, granted leave to appeal of the Enhanced Powers Order and the Investigative Powers Order (the "**Appeal**") and stayed the Investigative Powers Order and paragraph 5(m) of the Enhanced Powers Order as they relate to Mr. Li, pending the outcome of the Appeal ("**Justice Fagnan's Decision**"). A copy of Justice Fagnan's Decision is attached hereto as **Appendix "E"**. Accordingly, the Monitor has paused its efforts to question Mr. Li or request he comply with the Li Information Request pending the outcome of the Appeal.

2.3 Questioning and Request of Information of Mr. Ironside

1. On August 13, 2026, the Monitor was informed by Cascade's counsel that it was not aware of the receipt of the Ironside Information Request or the Monitor's request to conduct an examination of Mr. Ironside. As a result, the Monitor granted additional time for Mr. Ironside and Cascade's counsel to prepare a response to the Ironside Information Request. On August 18, 2026, the Monitor received a response from Mr. Ironside which included a record of correspondence with Mr. Li and a copy of Mr. Ironside's written statement submitted to the Calgary Police Service on June 13, 2026. At the time of this Fourteenth Report, the Monitor was preparing to conduct an examination of Mr. Ironside which is scheduled for August 24, 2026.

2.4 Other Activities

1. In addition to the activities described above, the Monitor has also continued to work with the AER in an effort to advance its investigation into the Allegations and the Misappropriation (the "**Investigation**") and to advance the Remaining Transactions (as defined herein). These efforts include requesting a delivery of all disclosures given to the AER, in accordance with Directive 067 for acquiring and holding energy licenses and approvals. On August 13, 2026, the Monitor was advised by the AER that it was advancing efforts to respond to the Monitor's request and the Monitor will review this information upon receipt.

3.0 Update on the Sale and Investment Solicitation Process (SISP)[3]

1. As more fully described in the Monitor's Previous Reports, Alphabow's SISP has resulted in numerous transactions that have been approved by the Court. As of the date of this Fifteenth Report, there were two transactions that the Company was pursuing (the "**Remaining Transactions**"). One of the Remaining Transactions has license transfer approval conditions to satisfy with the AER. The Remaining Transactions are:

Purchaser	Transaction	Closing Date	AER Transfer Application Deposit Decision for AlphaBow
Resurgent	Resurgent Transaction[4]	Not Closed	N/A – AER license transfer approval not needed
Cascade	Cascade Transaction	Not Closed	Application # 1960293 – Deposit Requirement $9,053,918

[3] Capitalized terms in this section have the meaning provided to them in the SISP, unless otherwise defined herein.

[4] The Resurgent Transaction was referred to as the Corporate Transaction in the Monitor's prior reports.

2. As noted in the table above, closing of the Cascade Transaction requires Alphabow to post the security deposit required by the AER under Application #1960293 in the amount of $9,053,918 (the "**Security Deposit**"). As discussed in the Fourteenth Report, Cascade was prepared to close the Cascade Transaction on June 5, 2026. However, Alphabow did not post the Security Deposit with the AER and, accordingly, the Cascade Transaction did not close. Following these events, the Monitor was made aware of the Allegations described above and advanced efforts to investigate the same.

3. Considering the circumstances of the Misappropriation, the Monitor has asked the AER if its position has changed in respect of the Security Deposit and whether the Cascade Transaction can proceed without a Security Deposit from Alphabow. As at the time of this Fifteenth Report, the Monitor understands the AER is considering this request.

4. If the AER does not approve the Cascade Transaction with no Security Deposit from Alphabow, the Monitor anticipates that the remaining assets of Alphabow will be transferred to the OWA for orphaning as the Monitor understands from discussions with the Sales Advisor that the remaining assets of Alphabow are no longer marketable.

4.0 Other Matters

1. On July 8, 2026, the Monitor received correspondence from the Company's insurance broker, Hub International Insurance brokers, informing the Monitor that, among other things: (i) Alphabow's commercial general liability insurance (the "**Insurance Policy**") was due for renewal on September 1, 2026; and (ii) under the AER's directive 067, Alphabow was required to maintain its corporate general liability insurance as an ongoing condition of license eligibility.

2. The Monitor notes the following with respect to the Insurance Policy:

   a) the Enhanced Powers Order provides the Monitor with broad authority with respect to the Company's property and business however does not provide specific powers to enter into insurance renewal agreements; and

   b) With Mr. Li's recent resignation as the Company's corporate officer, no authorized signatory remains at the Company remains to bind insurance coverage.

3. Accordingly, with no authorizing representative available to enter the Company into a renewal agreement, the Monitor has informed the AER that the Insurance Policy will expire on September 1, 2026. As a result, unless a specific request is made by the AER to request the Monitor to continue coverage, it is the Monitor's expectation that the Insurance Policy will lapse on September 1, 2026.

4. As there is currently no management or employees in place for the Company, the Monitor is receiving numerous requests from stakeholders with respect to Alphabow operations including pipeline proximity requests and landowner inquiries. For many of these requests, the Monitor cannot assist stakeholders.

5.0 Statement of Receipts and Disbursements

1. The Monitor has prepared a summary of the funds held in the Monitor's trust account through to August 18, 2026 (the "**Funds Held in Trust**"):

(unaudited; $000s)	Notes	As at August 18, 2026
Opening Cash		-
Operating Receipts		
Sale Proceeds	a	3,300
Interest		117
Other income		33
		3,450
Disbursements		
Orphan Well Association	b	(1,822)
Professional fees	c	(213)
GST paid		(100)
Banking fees		(3)
		(2,138)
Ending cash balance	d	**1,312**

Monitor's Comments:

a) **Sale Proceeds:** Sale proceeds and deposits received from purchasers in the SISP, net of deposits returned to interested parties in the circumstances where the transaction did not proceed, plus amounts held by the Monitor pursuant to the RCAM Holdback.

b) **Orphan Well Association**: Payments made to the OWA to satisfy RCAM Amounts from the RCAM Holdback. A summary of the amounts paid from the RCAM Holdback and the balance remaining as of this Fifteenth Report is below:

(unaudited; $000s)	As at August 18, 2026
Original RCAM Holdback	1,900
Disbursements made from the RCAM Holdback	(1,822)
Remaining RCAM Holdback	**78**

c) **Professional Fees**: Includes fees incurred in connection with the NOI Proceedings and the CCAA Proceedings, comprising amounts paid to the Proposal Trustee, the Monitor and its legal counsel. The majority of the professional fees have been paid directly by the Company.

d) **Ending Cash**: Reflects the balance of the Funds Held in Trust, approximately $1,312,000. Of this balance, approximately $78,000 relates to the remaining RCAM Holdback. The Monitor notes that additional RCAM invoices and OWA invoices, related to closure work related to insolvent working interest partners, have been issued to the Company that remain unpaid.

6.0 Request for a Stay Extension

1. The Stay Period currently expires on August 28, 2026. The Monitor is requesting an extension of the Stay Period until December 31, 2026, to allow the Monitor to conclude its investigation of the misappropriation and these restructuring proceedings.

2. The Monitor believes that the Stay Extension is appropriate in the circumstances for the following reasons:

   a) the Stay Extension will allow the Monitor to continue to advance the Investigation;

   b) the Stay Extension will allow the Monitor to respond to the Appeal;

   c) the Stay Extension will allow the Monitor with the time necessary to have discussions with the AER to determine if it is feasible to complete the Remaining Transactions, to the benefit of all stakeholders;

   d) while AlphaBow has not been acting in good faith and with due diligence, the continuation of these proceedings with the expanded role and powers of the Monitor is more efficient at this time compared to a conversion to a receivership proceeding;

   e) the Monitor does not believe that any creditor will be materially prejudiced by the Stay Extension;

   f) as of the date of this Fifteenth Report, the Monitor is not aware of any party opposing the Stay Extension; and

   g) in the absence of obtaining a financial reporting update from the Company, the Monitor cannot present a cash flow to the Court that will document the necessary funding required for the extended Stay Period. Instead, the Monitor is of the view that the remaining Funds Held in Trust will provide sufficient funding for the Company to complete closing of the Remaining Transactions, the Investigation, and these CCAA Proceedings.

7.0 Professional Fees

1. Alix seeks approval from this Honourable Court of the respective professional fees and disbursements of Alix, in its capacity as Proposal Trustee and Monitor, and its legal counsel for the period from commencement of the NOI Proceeding up to, and including, June 30, 2026 (the "**Taxation Period**").

2. The Monitor provides the following comments with respect to the Taxation Period:

   a) The Taxation Period covers approximately 2.5 years of restructuring proceedings;

   b) During the Taxation Period, Alix, and its legal counsel, have diligently carried out its duties in accordance with the Court approved SISP which has culminated in in the approval of approximately 20 Court-approved sales transactions (the "**Restructuring Transactions**");

   c) During the Taxation Period, the Monitor conducted a claims process for the purposes of identifying cure costs related to the assets involved in the Restructuring Transactions;

   d) The Monitor has prepared 15 reports during these CCAA Proceedings; and

   e) the Monitor and its legal counsel have participated in a number of other court proceedings involving Alphabow including, but not limited to:

      - the Kikino Metis Settlement matter, whereby a creditor sought a hearing before the Metis Settlement Appeal Tribunal to determine surface lease arrears from 112 surface leases;

      - an Alberta Court of Appeal application whereby Alphabow sought a declaration that the AER's requests for the Security Deposit should be stayed;

      - an application to the Alberta Court of Appeal for leave to appeal certain provisions of the Enhanced Powers Order and the Investigative Powers Order; and

      - numerous other asset disputes, lease assignment consents, and transaction complications, the details of which are discussed in detail in the Monitor's Prior Reports.

3. Professional fees and expenses rendered by the Alix at the time of this Fourteenth Report total $1,105,172.98 (exclusive of GST) (the "**Alix's Fees and Costs**"). Professional fees and expenses of the Monitor's legal counsel during the same period total $252,291.91 (exclusive of GST) (the "**Cassels' Fees and Costs**").

4. A summary of Alix's Fees and Costs and the Cassels. Fees and Costs to the end of June 30, 2026 are attached as **Appendix "F"**.

5. The Monitor and its legal counsel's invoices outline the date of the work completed, the description of the work completed, the length of time taken to complete the work and the name of the individual who completed the work. Copies of the invoices will be brought to the application before this Honourable Court set for August 25, 2026 and made available to the Court.

6. The Monitor respectfully submits that its professional fees and disbursements and those of its legal counsel in the NOI Proceedings and the CCAA Proceedings are: (i) commensurate with the work performed as outlined in this Fourteenth Report and prior reports of the Proposal Trustee and the Monitor; (ii) are commercially fair and reasonable; and (iii) were validly incurred in accordance with the provisions of the Initial Order, as amended, and other Orders granted by this Honourable Court.

8.0 Conclusion and Recommendation

1. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court grant the Stay Extension Order.

*   *   *

All of which is respectfully submitted,

AlixPartners Restructuring, Inc.

ALIXPARTNERS RESTRUCTURING, INC.,
IN ITS CAPACITY AS MONITOR OF
ALPHABOW ENERGY LTD.
AND NOT IN ITS PERSONAL CAPACITY

Appendix “A”

Cassels

July 13, 2026

Via Email (pchiswell@bdplaw.com)

joliver@cassels.com
tel: +1 403 351 2921
file # 54670-9

Song Song (Ben) Li
c/o Burnet, Duckworth & Palmer LLP
525 8 Ave SW
Calgary, AB T2P 1G1

Attention: Paul Chiswell

Dear Sir:

Re: In the Matter of a Plan of Compromise or Arrangement of Alphabow Energy Ltd. ("Alphabow")
Court File No. 2401-05179 (the "Proceedings")

As you are aware, we are counsel to AlixPartners Restructuring, Inc. (formerly, KSV Restructuring Inc.) in its capacity as court-appointed Monitor of Alphabow (in such capacity, the "**Monitor**").

We refer you to the Order of the Honourable Justice Kuntz granted on June 26, 2026, in these Proceedings (the "**Enhanced Powers Order**") and the Order of the Honourable Justice Kuntz granted June 30, 2026, in these Proceedings (the "**Investigative Powers Order**"). We refer you also to the Fourteenth Report of the Monitor dated June 24, 2026 (the "**Fourteenth Report**").

As detailed in the Fourteenth Report:

1. On June 16, 2026, the Monitor's legal counsel was made aware by a third party of allegations that Mr. Li may have personally, or through an entity he controls, withdrawn funds from Alphabow's bank account and that the Calgary Police Service had been contacted (the "**Allegations**");

2. The Monitor has identified a number of matters requiring further investigation, including a bank draft dated January 20, 2025 in the amount of $10,000,000 (the "**$10 Million Bank Draft**") payable to 1986114 Alberta Inc. (the "**Shareholder**"), apparent manipulation of financial reporting provided to the Monitor, discrepancies between bank records and reports supplied to the Monitor, and transfers involving a Bank of Montreal ("**BMO**") account bearing account number 0010-1889-558 (the "**Shareholder Account**"), which the Monitor understands was owned by the Shareholder.

Pursuant to paragraph 5(m) of the Enhanced Powers Order, the Monitor is empowered to compel any person with possession, custody, or control to disclose, produce, and deliver any books, records, accounting, documents, correspondence, or other information relating to the Allegations.

Accordingly, we write to provide you with notice that you are hereby required to provide the information and records listed in **Schedule "A"** hereto within fifteen (15) days of this request in accordance with the Enhanced Powers Order.

All responsive materials should be delivered to Andrew Basi (abasi@alixpartners.com), Ross Graham (rgraham@alixpartners.com), and the undersigned.

Should you fail to comply, the Monitor reserves all rights available under the Enhanced Powers Order the Investigative Powers Order, the CCAA, and applicable law, including seeking further relief from the Court, examinations under oath, production orders, tracing remedies, recovery proceedings, and costs.

Yours truly,

Cassels Brock & Blackwell LLP

Jeffrey Oliver

Jeffrey Oliver
Partner

JO/kw
Enclosures
cc: KSV Restructuring Inc. c/o Andrew Basi (abasi@ksvadvisory.com) & Ross Graham (rgraham@ksvadvisory,com)

Schedule "A"
Information Request

A. Banking Records

1. Complete bank statements for all accounts held by:

    (a) 1986114 Alberta Inc.;

    (b) Kananaski Capital Limited;

    (c) yourself personally; and

    (d) any other entity directly or indirectly controlled by you,

2. for the period January 1, 2024 to present, to the extent such accounts received, transferred, held, or otherwise dealt with funds originating from Alphabow.

3. Complete records for the Shareholder Account, including:

    (a) monthly statements;

    (b) transaction histories;

    (c) wire transfer records;

    (d) e-transfer records;

    (e) deposit records;

    (f) account opening documentation;

    (g) account ownership records; and

    (h) account closing records.

4. Records identifying the present location, disposition, or use of the proceeds of the $10 Million Bank Draft.

B. Other Records Relating to the $10 Million Bank Draft

5. All records relating to the $10 Million Bank Draft including:

    (a) requests for issuance;

    (b) instructions to BMO;

    (c) authorizations;

    (d) corporate approvals;

(e) corporate resolutions;

(f) correspondence;

(g) memoranda;

(h) accounting records; and

(i) supporting documentation.

6. All documents setting out the purpose, legal basis, or authority for the transfer of $10,000,000 from Alphabow to the Shareholder.

7. Documents evidencing any alleged loan, advance, repayment, shareholder distribution, dividend, trust arrangement, investment, or other basis that you contend justified the$10 Million Bank Draft.

C. Financial Records

8. Alphabow's complete general ledger, trial balances, journal entries, bank reconciliations, and supporting accounting records from January 1, 2025 to present.

9. All cash flow reports, cash position reports, treasury reports, management reports, and financial reporting provided to the Monitor during the CCAA proceedings.

10. Native electronic versions of all Cash Position Reports provided to the Monitor, including metadata and revision history.

11. All records explaining or supporting the discrepancy between:

(a) the Cash Position Report dated March 19, 2026 showing a balance of $9,229,115; and

(b) the BMO records showing a balance of $29,155.

D. Electronic Communications

12. All emails, text messages, instant messages, WeChat messages, Signal messages, WhatsApp messages, and other electronic communications concerning:

(a) Alphabow funds;

(b) the $10 Million Bank Draft;

(c) 1986114 Alberta Inc.;

(d) the Shareholder Account;

(e) the Security Deposit (as defined in the Fourteenth Report);

(f) the Cascade Transaction (as defined in the Fourteenth Report);

(g) the Resurgent Corporate Transaction (as defined in the Fourteenth Report);

(h) financial reporting to the Monitor; and

(i) the Allegations.

13. All communications with:

(a) employees or representatives of BMO;

(b) directors, officers, shareholders, or representatives of the Shareholder

(c) directors, officers, shareholders, or representatives of Kananaski Capital Limited; and

(d) any third party relating to the transfer, holding, or disposition of Alphabow funds.

E. Corporate Records

14. Complete corporate records of the Shareholder., including:

(a) minute books;

(b) shareholder resolutions;

(c) director resolutions;

(d) share registers;

(e) director registers; and

(f) records concerning receipt or disposition of Alphabow funds.

15. Any records identifying the beneficial ownership, control, or management of entities that received, held, or transferred Alphabow funds.

F. Records Pertaining to the Allegations

16. A written response setting out your position regarding the Allegations described in the Fourteenth Report.

17. A detailed accounting of:

(a) all monies received directly or indirectly from Alphabow;

(b) all transfers involving the $10 Million Bank Draft;

(c) the current location of those funds;

(d) any amounts returned to Alphabow; and

(e) any amounts remaining under your control or under the control of entities associated with you.

18. Identification of all persons with knowledge of the foregoing transactions.

G. OTHER

19. All current contact information for the current director of Alphabow, Yueyu Duan, including, without limitation:

    (a) email address;

    (b) phone number; and

    (c) address for service.

Appendix “B”

Cassels

July 13, 2026

Via Email (pchiswell@bdplaw.com)

Burnet, Duckworth & Palmer LLP
525 8 Ave SW
Calgary, AB T2P 1G1

joliver@cassels.com
tel: +1 403 351 2921
file # 54670-9

Attention: Paul Chiswell

Dear Sir:

Re: In the Matter of a Plan of Compromise or Arrangement of Alphabow Energy Ltd. ("Alphabow")
Court File No. 2401-05179 (the "Proceedings")

As you are aware, we are counsel to AlixPartners Restructuring, Inc. (formerly, KSV Restructuring Inc.) in its capacity as court-appointed Monitor of Alphabow (in such capacity, the "**Monitor**").

We refer you to the Order of the Honourable Justice Kuntz granted on June 26, 2026, in these Proceedings (the "**Enhanced Powers Order**") and the Order of the Honourable Justice Kuntz granted June 30, 2026, in these Proceedings (the "**Investigative Powers Order**"). We refer you also to the Fourteenth Report of the Monitor dated June 24, 2026 (the "**Fourteenth Report**").

Pursuant to paragraphs 3 and 5 of the Investigative Powers Order, the Monitor is empowered and authorized to conduct examinations under oath of any Person whom the Monitor believes, acting reasonably, has information relating to the Allegations (as defined in the Fourteenth Report), the Property and any and all transactions leading to the defalcation of the Property upon service at lease five (5) days prior to the scheduled date of the examination of a summons to appear for examination.

Accordingly, please find enclosed a Notice for Appointment for Questioning on July 27, 2026.

We trust that you will find the foregoing to be in order, but please do not hesitate to contact us should you require anything further.

Cassels

Yours truly,

Cassels Brock & Blackwell LLP

Jeffrey Oliver

Jeffrey Oliver
Partner

JO/kw
Enclosures
cc: KSV Restructuring Inc. c/o Andrew Basi (abasi@ksvadvisory.com) & Ross Graham (rgraham@ksvadvisory,com)

LEGAL*72518526.2

Appendix “C”

Cassels

July 13, 2026

Via Email (Scott.chimuk@bluerocklaw.com)

joliver@cassels.com
tel: +1 403 351 2921
file # 54670-9

Rick Ironside
c/o Blue Rock Law LLP
Suite 700, 215 9th Avenue S.W.
Calgary, AB T2P 1K3

Attention: Scott Chimuk

Dear Sir:

Re: In the Matter of a Plan of Compromise or Arrangement of Alphabow Energy Ltd. ("Alphabow")
Court File No. 2401-05179 (the "Proceedings")

As you are aware, we are counsel to AlixPartners Restructuring, Inc. (formerly, KSV Restructuring Inc.) in its capacity as court-appointed Monitor of Alphabow (in such capacity, the "**Monitor**").

We refer you to the Order of the Honourable Justice Kuntz granted on June 26, 2026, in these Proceedings (the "**Enhanced Powers Order**") and the Order of the Honourable Justice Kuntz granted June 30, 2026, in these Proceedings (the "**Investigative Powers Order**"). We refer you also to the Fourteenth Report of the Monitor dated Juen 24, 2026 (the "**Fourteenth Report**").

As detailed in the Fourteenth Report:

1. On June 16, 2026, the Monitor's legal counsel was made aware by a third party of allegations that Mr. Li may have personally, or through an entity he controls, withdrawn funds from Alphabow's bank account and that the Calgary Police Service had been contacted (the "**Allegations**");

2. The Monitor has identified a number of matters requiring further investigation, including a bank draft dated January 20, 2025 in the amount of $10,000,000 (the "**$10 Million Bank Draft**") payable to 1986114 Alberta Inc. (the "**Shareholder**"), apparent manipulation of financial reporting provided to the Monitor, discrepancies between bank records and reports supplied to the Monitor, and transfers involving a Bank of Montreal ("**BMO**") account bearing account number 0010-1889-558 (the "**Shareholder Account**"), which the Monitor understands was owned by the Shareholder.

Pursuant to paragraph 5(m) of the Enhanced Powers Order, the Monitor is empowered to compel any person with possession, custody, or control to disclose, produce, and deliver any books, records, accounting, documents, correspondence, or other information relating to the Allegations.

Accordingly, we write to provide you with notice that you are hereby required to provide the information and records, accounting, documents, correspondence, or other information in your possession related to the Allegations and the $10 Million Bank Draft and any and all communications between yourself and Mr. Song

Song Li (a/k/a Ben Li) including, without limitation, all emails, text messages, instant messages, WeChat messages, Signal messages, WhatsApp messages, and other electronic communications.

All responsive materials should be delivered to Andrew Basi (abasi@alixpartners.com), Ross Graham (rgraham@alixpartners.com), and the undersigned.

Should you fail to comply, the Monitor reserves all rights available under the Enhanced Powers Order the Investigative Powers Order, the CCAA, and applicable law, including seeking further relief from the Court, examinations under oath, production orders, tracing remedies, recovery proceedings, and costs.

Yours truly,

Cassels Brock & Blackwell LLP

Jeffrey Oliver

Jeffrey Oliver
Partner

JO/kw
Enclosures
cc: KSV Restructuring Inc. c/o Andrew Basi (abasi@ksvadvisory.com) & Ross Graham (rgraham@ksvadvisory,com)

Appendix “D”

Distributed to Duty Judge

COURT OF APPEAL OF ALBERTA

Form AP-3
[Rule 14.53]

Registrar's Stamp
REGISTRAR
FILED
17 Jul 2026
MRA
Court of Appeal of Alberta

COURT OF APPEAL FILE NUMBER:	2601-0211AC
TRIAL COURT FILE NUMBER:	2401-05179
REGISTRY OFFICE:	CALGARY
APPELLANT:	BEN LI
STATUS ON APPEAL:	APPELLANT
STATUS ON APPLICATION:	APPLICANT
RESPONDENT:	ALIXPARTNERS RESTRUCTURING, INC. in its capacity as Court-appointed Monitor of ALPHABOW ENERGY LTD.
STATUS ON APPEAL:	RESPONDENT
STATUS ON APPLICATION:	RESPONDENT
DOCUMENT:	**APPLICATION OF BEN LI FOR PERMISSION TO APPEAL AND STAY OF ENFORCEMENT**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT:

Burnet, Duckworth & Palmer LLP
8th Avenue Place, East Tower
2400, 525 – 8 Avenue SW
Calgary, Alberta T2P 1G1
Lawyer: Paul Chiswell
Phone: (403) 260-0201
Fax: (403) 260-0332
Email: pchiswell@bdplaw.com
File No. 79163-3
Co-Counsel to Ben Li

Mckay Ferg LLP
#1800 - 639 - 5th Ave SW
Calgary, Alberta T2P 0M9
Lawyer: Ian McKay, K.C.
Heather Ferg
Phone: (403) 984-1919
Fax: (844) 895-3926
Email: ian@mckayferg.com
heather@mckayferg.com
Co-Counsel to Ben Li

CONTACT INFORMATION OF ALL OTHER PARTIES:	**Cassels Brock & Blackwell LLP** Bankers Hall West 3700, 888 3rd St SW Calgary, AB T2P 5C5 Lawyer: Jeffrey Oliver Danica Jorgenson Phone: (403) 351-2920/2638 Fax: (403) 648-1151 Email: joliver@cassels.com djorgenson@cassels.com

NOTICE TO RESPONDENT(S): **ALIXPARTNERS RESTRUCTURING, INC. in its capacity as Court-appointed Monitor of ALPHABOW ENERGY LTD.**

WARNING

If you do not come to Court on the date and time shown below either in person or by your lawyer, the Court may give the applicant what it wants in your absence. You will be bound by any order that the Court makes. If you intend to rely on other evidence or a memorandum in support of your position when the application is heard or considered, you must file and serve those documents in compliance with the Rules. (Rule 14.41 and 14.43)

NOTICE TO RESPONDENT(S):

You have the right to state your side of this matter before the Court.

To do so, you must be in Court when the application is heard as shown below:

Date:	July 29, 2026
Time:	9:30 am
Where:	Court of Appeal of Alberta Virtual
Before:	Single Judge of the Court (Rule 14.37)

Nature of Application and Relief Sought:

1. The Applicant, Mr. Ben Li, seeks:

   (a) permission to appeal, through a single Notice of Appeal, the Order for Enhancement of Monitor's Powers and Stay Extension of The Honourable Justice Kuntz pronounced and filed June 26, 2026 (the **June 26 Enhanced Powers Order**) and the Order for Enhancement of Monitor's Powers and Stay Extension of The Honourable Justice Kuntz pronounced June 30, 2026 and filed July 2, 2026 (the **June 30 Enhanced Powers Order**).

   (b) a stay of enforcement of paragraph 5(m) of the June 26 Enhanced Powers Order and paragraphs 3, 5, 6, 9 of the June 30 Enhanced Powers Order as they relate to Mr. Li.

Grounds for making this application:

Alphabow

2. On March 28, 2024, Alphabow Energy Ltd. (**Alphabow**) filed a Notice of Intention to Make a Proposal pursuant to the *Bankruptcy and Insolvency Act*. Such proceedings were subsequently continued under the *Companies Creditors' Arrangement Act* (***CCAA***).

3. The Applicant, Mr. Li, acted as a director of Alphabow during part of the *CCAA* proceedings, until his resignation effective June 15, 2026.

The Monitor's Application for Enhanced Powers

4. On June 22, 2026, the Respondent AlixPartners Restructuring, Inc. in its capacity as Court-appointed Monitor of Alphabow (the **Monitor**) applied to the Court of King's Bench of Alberta for Enhancement of Monitor's Powers, Stay Extension and Approval of Professional Fees.

5. On June 25, 2026, the Monitor filed the Fourteenth Report of the Monitor, stating among things:

   (a) On June 16, 2026, the Monitor's legal counsel was contacted by legal counsel of a third party interested in the *CCAA* proceedings and "made the Monitor aware of allegations that Mr. Li may have personally, or through an entity he controls, withdrawn funds from Alphabow's bank account and that the Calgary Police Service ('CPS') had been contacted (the 'Allegations')."

   (b) "…the Monitor has concluded on a preliminary basis that approximately $9 million… has been wrongfully withdrawn from the Company's bank account, and the withdrawal of such amounts were consistently and deliberately concealed from the Monitor throughout these *CCAA* Proceedings (collectively, the 'Misappropriation')."

   (c) "Next Steps 1. On June 22, 2026, the Monitor received notice that CPS was aware of the Allegations and requested evidence to identify if a criminal offence has occurred. The Monitor intends to provide the CPS with a copy of this Fourteenth Report and to cooperate, in full, with its investigation."

The June 26, 2026 hearing

6. At the June 26, 2026 hearing, counsel for Mr. Li opposed certain aspects of the proposed order that would require Mr. Li to provide information and records to the Monitor contrary to Mr. Li's rights and freedoms under the *Canadian Charter of Rights and Freedoms*.[1]

7. On June 26, 2026, the Chambers Judge granted the Monitor's application in part, and expressly reserved her decision regarding the challenged enhanced powers that would enable the Monitor to investigate the "Misappropriation" "Allegations". The Chambers Judge ruled: "I am going to grant the enhanced order minus the – the paragraph 1(m), paragraph 2 to 5, and paragraph 15."

8. Notwithstanding such order pronounced in Chambers, and without notice to Mr. Li's counsel, the Chambers Judge subsequently signed a revised form of order prepared by counsel for the Monitor, and the Monitor filed, an order containing paragraph 5(m)—previously paragraph 1(n) of the form of order which the Chambers Judge had reserved granted—of the June 26 Enhanced Powers Order, enabling the Monitor to compel the production of records "relating to the Allegations, the Property and any and all transactions leading to the defalcation of the Property."

[1] *Canadian Charter of Rights and Freedoms*, Part I of the *Constitution Act*, 1982, being Schedule B to the *Canada Act 1982 (U.K.)*, 1982, c. 11 (the "*Charter*").

9. On June 30, 2026, the Chambers Judge issued her oral reasons granting the additional relief requested by the Monitor. The Chambers Judge signed, and the Monitor filed the June 30 Enhanced Powers Order.

10. At the June 26, 2026 hearing, various procedural irregularities occurred that made the hearing procedural unfair to Mr. Li:

(a) counsel for Mr. Li stated he had four submissions to make, including as to the scope and wording of the proposed form of order. Counsel for Mr. Li was not permitted to make three of those submissions;

(b) counsel for several parties made reply submissions to counsel for Mr. Li, in which they relied on new authorities without providing either notice or a copy to counsel for Mr. Li in advance or at all;

(c) counsel for Mr. Li repeatedly requested permission to make written submissions, including in response to the new authorities raised for the first time in reply submissions. The Chambers Judge repeatedly denied such request; and

(d) in issuing her reasons on June 30, 2026, the Chambers Judge relied on such new authorities to which counsel for Mr. Li did not have the opportunity to respond, meaningfully or at all.

The Monitor's attempts to Question Mr. Li

11. On July 13, 2026, the Monitor served counsel for Mr. Li with the following demands, in reliance on the June 26 Enhanced Powers Order and the June 30 Enhanced Powers Order:

(a) a Notice of Appointment for Questioning on July 26, 2026; and

(b) a demand for information and records relating to "the Allegations" by July 27, 2026.

Application for Permission to Appeal

12. The point on appeal is significant to the practice. Counsel could locate no reported decision where a superior court in Alberta has granted a monitor such wide investigatory powers pursuant to the *CCAA* during an active police criminal investigation and in which the monitor has advised the court that it will assist in the police investigation.

13. The point raised on appeal is of significance to the action itself. The Monitor is actively attempting to use its extraordinary powers pursuant to the June 26 Enhanced Powers Order and the June 30 Enhanced Powers Order to compel information and records from Mr. Li. Other than residual transactions, the Monitor's investigation is the final item remaining in these *CCAA* proceedings.

14. The appeal is *prima facie* meritorious. There are serious and arguable grounds of appeal regarding numerous errors made by the lower court.

(a) the lower court erred in finding the investigation in this case did not have a predominant purpose of determining penal or criminal liability;

(b) further or in the alternative, the lower court erred in granting the monitor enhanced investigative powers without sufficient protections to ensure the Applicant's constitutional rights were protected;

(c) the lower court erred in finding section 5 of the *Canada Evidence Act* and section 13 of the *Charter* sufficiently protect the Applicant's constitutional rights in the circumstances;

(d) the lower court erred in granting orders that were overbroad and exceeded the reasonable exercise of the court's jurisdiction;

(e) the lower court erred in failing to accord procedural fairness to Mr. Li, including by:

(i) not permitting Mr. Li to know the case that he has to meet by permitting the Monitor to apply to the Court contrary to Rule 6.3(3);

(ii) not permitting counsel to make three of his four points, including as to the scope and form of June 26 Enhanced Powers Order and the June 30 Enhanced Powers Order;

(iii) not permitting counsel to provide bench briefs or written submissions, despite requests for permission to do so;

(iv) not affording counsel a reasonable or effective opportunity to respond to authorities cited by parties in reply, especially when such authorities were not provided in advance or at all; and

(v) entering paragraph 5(m) of the June 26 Enhanced Powers Order contrary to the June 26 oral decision of the Chambers Judge and without notice to counsel for Mr. Li.

15. The appeal will not unduly hinder or delay the within *CCAA* proceedings. The focus of the appeal is solely on aspects of the orders as they relate to Mr. Li. Therefore while the appeal will have serious ramifications for Mr. Li's constitutional rights and freedoms, it will have

a relatively narrow effect on the *CCAA* proceedings as a whole as it will not interfere with the Monitor's ability to investigate or obtain records and information from other persons and sources, nor impact the Monitor's ability to deal with the property of Alphabow or close any transactions on behalf of Alphabow.

Application for a Stay Pending Appeal

16. There are serious issues to be determined on the appeal.

17. Mr. Li will likely suffer irreparable harm if the stay is not granted. In addition to the risk that Mr. Li's *Charter* rights will be infringed as set out above, if a stay is not granted pending the appeal, then Mr. Li's appeal will be rendered nugatory; thereby abrogating the right to the appeal itself and any of its remedies.

18. The balance of convenience favours granting the stay pending the appeal. As set out above, in contrast to the serious ramifications for Mr. Li's constitutional rights and freedoms if a stay is not granted, a stay will have a relatively narrow effect on the *CCAA* proceedings as a whole as it will not interfere with the Monitor's ability to investigate or obtain records and information from other persons and sources, nor impact the Monitor's ability to deal with the property of Alphabow or close any transactions on behalf of Alphabow.

19. Such other grounds as counsel may advise and this Honourable Court may permit.

Material or evidence to be relied on:

20. The Transcript of Proceedings June 26 and 30, 2026.

21. The materials before the Honourable Justice Kuntz on June 26, 2026.

22. The Affidavit of Sheena Criece, sworn July 17, 2026.

Applicable Acts, regulations and rules:

23. *Canadian Charter of Rights and Freedoms*, being Part I of The *Constitution Act, 1982*, Schedule B to the *Canada Act 1982* (UK), 1982, c 11, ss. 7, 8 and 11(d).

24. *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended, ss. 13 and 14.

25. *Alberta Rules of Court*, Alta. Reg. 124/2010, rr. 6.3(3), 14.5(1)(f), 14.9, 14.37(1), (2)(a), 14.44, 14.48.

Appendix “E”

In the Court of Appeal of Alberta

Citation: Alixpartners Restructuring, Inc v Li, 2026 ABCA 269

Date: 20260814
Docket: 2601-0211AC
Registry: Calgary

Between:

Alixpartners Restructuring, Inc.
in its capacity as Court-Appointed Monitor of Alphabow Energy Ltd.

Respondent

- and -

Ben Li

Applicant

Reasons for Decision of
The Honourable Justice Jane Fagnan

Applications for Permission to Appeal and Stay of Enforcement

Reasons for Decision of
The Honourable Justice Jane Fagnan

Introduction

[1] The applicant applies for permission to appeal two Orders for Enhancement of Monitor's Powers and Stay Extension pronounced on June 26, 2026 and June 30, 2026, as well as a stay of enforcement of certain paragraphs. The Orders granted wide investigative powers to the Monitor following commencement of an active Calgary Police Service criminal investigation into the former director of Alphabow, and the Monitor's assertion that it would cooperate fully with the police.

Background

[2] On March 28, 2024, Alphabow Energy Ltd filed a Notice of Intention to Make a Proposal pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (*BIA*). Those proceedings were subsequently continued under the *Companies Creditors' Arrangement Act*, RSC 1985, c C-36 (*CCAA*).

[3] The applicant acted as a director of Alphabow during part of the *CCAA* proceedings until his resignation effective June 15, 2026. Corporate counsel then withdrew from the record. The company was unable to complete remaining transactions.

[4] On June 25, 2026, the Monitor filed the Fourteenth Report of the Monitor, stating among other things that on June 16, 2026, the Monitor's legal counsel was contacted by legal counsel of a third party interested in the *CCAA* proceedings who made the Monitor aware of allegations that the applicant may have personally, or through an entity he controls, withdrawn funds from Alphabow's bank account and that the Calgary Police Service had been contacted. The Monitor concluded on a preliminary basis that approximately $9 million had been wrongfully withdrawn from the company's bank account, and the withdrawal of such amounts were consistently and deliberately concealed from the Monitor throughout the *CCAA* proceedings. The Report also indicated under the heading "3.3 Next Steps":

> 1. On June 22, 2026, the Monitor received notice that CPS was aware of the Allegations and *requested evidence to identify if a criminal offence has occurred. The Monitor intends* to provide the CPS with a copy of this Fourteenth Report and *to cooperate, in full, with its investigation*. [emphases added]

[5] The Monitor's application for enhanced powers was brought on short notice on June 26, 2026. The applicant's counsel objected to the inclusion of provisions enabling the Monitor to

compel the applicant to produce documents and submit to questioning on the basis that they would permit violation of his ss 7 and 8 *Charter* rights.

[6] The justice granted an order without certain provisions proposed by the Monitor. She adjourned the proceedings until June 30, 2026, indicating she would provide a decision regarding those provisions at that time.

[7] On June 30, 2026, the justice granted the June 30 Order containing the disputed provisions. In her brief oral reasons, she cited ***R v Jarvis***, 2002 SCC 73 and found the nature of the investigation did not have a predominant purpose of determining penal or criminal liability. She held the Monitor's statement that it plans to cooperate with the police regarding any criminal investigation did not change the Monitor's predominant purpose to pursue its mandate under the *CCAA*. She further held that while the Monitor intended to cooperate with the police investigation, that did not mean the police could or would use the information from the Monitor to prosecute the applicant without regard to his *Charter* rights. She determined the Monitor's investigation should not be suppressed because of possible criminal charges and the possibility of a *Charter* violation on the part of the police. She opined that the responsibility lies with the police to ensure the act in accordance with the *Charter*. She further found the applicant's concerns were addressed by s 5 of the *Canada Evidence Act* and s 13 of the *Charter*.

[8] On July 13, 2026, the Monitor served counsel for the applicant with a Notice of Appointment to attend Questioning on July 26, 2026 and a demand for provision of information and records relating to the allegations by July 27, 2026.

Proposed Grounds of Appeal

[9] The applicant wishes to appeal on the basis of procedural unfairness, alleging the matter proceeded on very short notice and incomplete information, counsel was precluded from making full submissions, the justice relied on case law without notice to the applicant, and she denied counsel the opportunity to provide written submissions.

[10] Regarding the substance of the Orders, the applicant alleges the justice erred in: finding the investigation in this case did not have a predominant purpose of determining penal or criminal liability, granting the Monitor enhanced investigative powers without sufficient protections of the applicant's constitutional rights, finding s 5 of the *Canada Evidence Act*, RSC 1985, c C-5 and s 13 of the *Charter* sufficiently protect the applicant's constitutional rights in the circumstances, and granting orders that were overbroad and exceeded the reasonable exercise of the court's jurisdiction.

Test

[11] The test for leave to appeal under s 13 of the *CCAA* is based on four criteria, to be assessed collectively: 1) whether the appeal is *prima facie* meritorious (i.e. not frivolous); 2) whether the

appeal will unduly hinder the progress of the action; 3) whether the point raised is of significance to the action itself; and 4) whether the point on appeal is significant to the practice: ***Coast Automotive Group Inc (Re)***, 2026 ABCA 123 at para 17; ***Bellatrix Exploration Ltd v BP Canada Energy Group ULC***, 2020 ABCA 178 at para 28.

[12] Leave to appeal under s 13 of the *CCAA* is discretionary and must be exercised sparingly: ***Coast Automotive*** at para 18. Intervention is justified only where the justice erred in principle or exercised discretion unreasonably: ***9354-9186 Québec inc v Callidus Capital Corp***, 2020 SCC 10 at paras 53-54.

Analysis

[13] The applicant raises a non-frivolous issue as to whether the chambers justice considered all the factors set out in para 94 of ***Jarvis*** with respect to predominant purpose. It is arguable that she did not address all the factors in her reasons.

[14] The chambers justice recognized ***Jarvis*** is distinguishable on its facts. Indeed, the ***Jarvis*** case involved different branches of a state agency with separate mandates. The Monitor is not part of any state agency. The chambers justice did not refer to case law regarding third parties enlisted as agents of law enforcement, an area of the law that continues to develop: see for example ***R v Pham***, 2025 BCCA 324, leave granted [2025] SCCA No 510 (QL).

[15] Further, unlike other types of third parties, the Monitor is an officer of the Court carrying out statutory duties under s 23 of the *CCAA*. In these particular circumstances, the Court was asked to authorize the Monitor to exercise broad investigative powers in circumstances where there is an active police investigation, the police had requested evidence of the Monitor to identify if a criminal offence has occurred, and the Monitor had expressed an intention to fully cooperate with the police investigation.

[16] A non-frivolous issue arises in these particular circumstances, being whether the chambers justice erred in failing to include provisions, or limit the scope of the Orders, so as to ensure the powers granted were not used in a manner that exceeded the Monitor's *CCAA* mandate and risked breaching the applicant's relevant *Charter* rights. This issue is of significance to the action and to the practice.

[17] The applicant also takes the position the Orders were overbroad and exceeded the reasonable exercise of the Court's jurisdiction. This Court has held that investigative activity is appropriate in furtherance of legitimate insolvency objectives: ***Angus A2A GP Inc v Alvarez & Marsal Canada Inc***, 2026 ABCA 156 at paras 79-81, 133. The scope of the powers granted, and the balancing of stakeholder interests are discretionary *CCAA* determinations reviewable for palpable and overriding error or error in principle: ***Resurgence Asset Management LLC v Canadian Airlines Corporation***, 2000 ABCA 149 at para 29.

[18] Generally, the challenge to the scope of the Orders concerns the exercise of discretion under ss 11 and 23 of the *CCAA* as well as the justice's finding regarding the predominant purpose of the investigation. The chambers justice's decision regarding the scope of the powers relates to her analysis regarding the implications of the communications between the police and the Monitor. Given that the applicant has framed his concerns relating to the powers granted only insofar as they affect him, the scope of powers issue is not of significance to the practice except as it might be affected by the first issue identified above.

[19] None of the alleged procedural irregularities raises an issue warranting appellate consideration. While one or more of the complaints may be arguable, the law in this area is well settled and the result would be very specific to these facts. The issue would be of little or no significance to the practice. The granting of permission in relation to the first issue will, in effect, remedy any procedural shortcomings which may have resulted in incomplete submissions before the chambers justice.

[20] The applicant submits the appeal will not unduly hinder or delay the *CCAA* proceedings as the appeal focuses solely on aspects of the Orders as they relate to the applicant. The applicant maintains that other than residual transactions, the Monitor's investigation is the final item remaining in the *CCAA* proceedings.

[21] The respondent cites ***North American Tungsten Corporation v Global Tungsten and Powders Corp***, 2015 BCCA 426 at paras 42, 44, arguing that granting leave will undermine restructuring efforts as the appeal will directly impede the Monitor's efforts to trace assets, evaluate recovery actions and complete the administration of the proceeding. The respondent notes the Monitor received information during the restructuring through the applicant and he is alleged to have knowledge relevant to the disappearance of substantial estate funds. The respondent further argues that delaying the investigation reasonably raises the risk of further asset dissipation, loss of records, fading memories and prejudice to stakeholders.

[22] It is clear the appeal will have some effect on the *CCAA* proceedings. However, it will not interfere with the Monitor's ability to investigate or obtain records and information from other persons and sources, nor will it impact the Monitor's ability to deal with the property of Alphabow or to close any transactions on behalf of Alphabow.

[23] The factors weigh in favour of granting the application with respect to the following general issue:

> Did the chambers justice err in failing to include provisions, or limit the scope of the Orders, so as to ensure the investigative powers granted to the Monitor by the Court were not used in a manner that exceeded the Monitor's *CCAA* mandate and risked breaching the applicant's relevant *Charter* rights?

[24] Of course, the panel hearing the appeal is not bound by this formulation of the issue.

Stay Pending Appeal

[25] The applicant requests a stay pending appeal. He must establish: 1) a serious question to be tried (or an arguable issue that is not frivolous or vexatious); 2) irreparable harm if the stay is not granted; and 3) the balance of convenience favours granting the stay: ***DGDP-BC Holdings Ltd v Third Eye Capital Corporation***, 2021 ABCA 304 at para 16, citing ***RJR-MacDonald Inc v Canada (Attorney General)***, 1994 CanLII 117, [1994] 1 SCR 311.

[26] There is a serious question to be tried. Given the nature of the issue, there is potential for irreparable harm if a stay pending appeal is not granted. The Monitor is not impeded in other aspects of its investigation. The balance of convenience favours granting the stay pending appeal.

[27] A stay pending appeal is granted in relation to paragraphs 5(m) of the June 26 Enhanced Powers Order and paragraphs 3, 5, 6, and 9 of the June 30 Enhanced Powers Order, but only as they relate to the applicant.

Conclusion

[28] The application for permission to appeal is granted in part. The application for a stay pending appeal is granted.

[29] Counsel are directed to contact the Case Management Officer at the earliest opportunity to establish a timetable for the appeal.

Applications heard on August 5, 2026

Reasons filed at Calgary, Alberta
this 14th day of August, 2026

REGISTRAR
FILED
14 Aug 2026
GA
Court of Appeal of Alberta

Fagnan J.A.

Appearances:

J.L. Oliver (no appearance)
M.N. Burkett
D. Jorgenson
for the Respondent

I.D. McKay, KC
P.G. Chiswell (no appearance)
H. Ferg (no appearance)
J. Luu
for the Applicant

Appendix “F”

Alphabow Energy Ltd.
Schedule of Professional Fees

Invoice	Period	Professional Fees ($)	Disbursements ($)	GST ($)	Total Fees ($)
Monitor's Fees and Costs:					
Invoice 3655	April 2024	96,536.25	-	4,826.81	101,363.06
Invoice 3733	May 2024	57,382.50	406.00	2,880.93	60,669.43
Invoice 3798	June 2024	24,086.25	-	1,204.31	25,290.56
Invoice 3841	July 2024	43,302.50	-	2,165.13	45,467.63
Invoice 3922	August 2024	49,485.25	-	2,474.26	51,959.51
Invoice 3998	September 2024	48,086.25	0.98	2,404.36	50,491.59
Invoice 4056	October 2024	112,128.00	-	5,606.40	117,734.40
Invoice 4116	November 2024	71,507.50	-	3,575.38	75,082.88
Invoice 4143	December 2024	80,673.00	-	4,033.65	84,706.65
Invoice 4199	January 2025	79,841.00	-	3,992.05	83,833.05
Invoice 4286	February 2025	27,789.75	-	1,389.49	29,179.24
Invoice 4419	March 2025	14,578.50	-	728.93	15,307.43
Invoice 4420	April 2025	34,808.50	-	1,740.43	36,548.93
Invoice 4473	May 2025	25,274.50	-	1,263.73	26,538.23
Invoice 4534	June 2025	50,520.75	-	2,526.75	53,047.50
Invoice 4586	July 2025	21,965.00	-	1,098.25	23,063.25
Invoice 4648	August 2025	18,253.00	-	912.00	19,165.00
Invoice 4709	September 2025	52,975.00	-	2,648.75	55,623.75
Invoice 4777	October 2025	21,027.00	-	1,051.35	22,078.35
Invoice 4864	November 2025	11,456.75	-	572.84	12,029.59
Invoice 4931	December 2025	7,783.00	-	389.15	8,172.15
Invoice 5072	January 2026	35,533.50	-	1,776.68	37,310.18
Invoice 5156	February 2026	13,184.75	-	659.24	13,843.99
Invoice 5306	March 2026	29,248.50	-	1,462.43	30,710.93
Invoice 5420	April 2026	6,433.00	-	321.65	6,754.65
Invoice 5555	May 2026	4,640.50	-	232.03	4,872.53
Invoice 5582	June 2026	66,265.50		3,313.28	69,578.78
Total Monitor's Fees and Costs		**1,104,766.00**	**406.98**	**55,250.22**	**1,160,423.20**

Alphabow Energy Ltd.
Schedule of Professional Fees (cont.)

Invoice	Period	Professional Fees ($)	Disbursements ($)	GST ($)	Total Fees ($)
Monitor's Counsel's Fees and Costs:					
2236927	April 2024	13,447.50	103.44	676.55	14,227.49
2240165	May 2024	5,287.50	102.06	269.38	5,658.94
2243532	June 2024	10,301.50	-	515.08	10,816.58
2246875	July 2024	21,598.50	288.38	1,093.34	22,980.22
2250281	August 2024	5,940.00	115.12	301.76	6,356.88
2253882	September 2024	13,396.50	156.77	675.66	14,228.93
2257658	October 2024	24,544.00	376.35	1,244.87	26,165.22
2261245	November 2024	19,000.00	229.94	959.20	20,189.14
2265054	December 2024	16,464.00	137.27	827.56	17,428.83
2269330	January 2025	8,820.00	77.70	443.99	9,341.69
2272885	February 2025	4,638.50	205.89	239.77	5,084.16
2277204	March 2025	2,167.00	73.82	112.04	2,352.86
2280304	April 2025	5,690.00	-	284.50	5,974.50
2283662	May 2025	3,510.00	43.29	176.66	3,729.95
2287546	June 2025	5,793.00	146.70	296.19	6,235.89
2291086	July 2025	1,440.00	-	72.00	1,512.00
2294617	August 2025	1,201.50	-	60.08	1,261.58
2298132	September 2025	11,520.00	27.72	576.39	12,124.11
2302077	October 2025	3,510.00	111.21	181.06	3,802.27
2306352	November 2025	4,981.50	-	249.08	5,230.58
2310292	December 2025	1,530.00	-	76.50	1,606.50
2315033	January 2026	11,001.00	44.28	551.31	11,596.59
2318615	February 2026	2,730.00	48.76	138.79	2,917.55
2322743	March 2026	4,900.50	214.99	254.77	5,370.26
2334010	June 2026	45,715.50	660.22	2,309.20	48,684.92
Total Monitor's Counsel's Fees and Costs		**249,128.00**	**3,163.91**	**12,585.73**	**264,877.64**