

NOTICE AND STATEMENT OF RECEIVER

(Subsections 245(1) and 246(1) of the Act)

**IN THE MATTER OF THE RECEIVERSHIP OF
LEXIN RESOURCES LTD.****THE RECEIVER HEREBY GIVES NOTICE AND DECLARES THAT:**

1. On the 20th day of March, 2017, upon application by the Alberta Energy Regulator (“**AER**”) the undersigned, Grant Thornton Limited, was Court-appointed receiver (the “**Receiver**”) of the assets, properties and undertakings of Lexin Resources Ltd. (“**Lexin**” or the “**Company**”). As of the date of this notice, as explained further below, the Receiver has been unable to access and review the Company’s records, however, based on information available, it understands Lexin’s major class of assets to include the following:

	Book Value
Partnership and Equity Interests	Unknown
Equipment and Vehicles	Unknown
Oil and Gas Assets	Unknown

The Receiver will continue its investigation into the Company’s assets.

2. The undersigned was appointed Receiver by the Court of Queen’s Bench of Alberta, pursuant to a receivership order (the “**Receivership Order**”) pronounced on March 20, 2017. A copy of the Receivership Order, as well as the Receiver’s First Report, are available by visiting the undersigned’s website at: www.grantthornton.ca/lexin
3. Pursuant to the Receivership Order, the Receiver is empowered and authorized, but not obligated, to take possession of the property of the Company, with the exception of taking possession of or exercising physical control over any well, facility or pipeline licensed to Lexin by the AER (“**Sites and Abandoned Sites**”).

Except for the Sites and Abandoned Sites, which are currently under the care and custody of either the Orphan Well Association (“**OWA**”) or Working Interest Partners (“**WIP**”s), the Receiver continues to exercise its powers granted in the Receivership Order to take possession of the Company’s remaining property.

4. The following information relates to the receivership:
 - a) The Registered and Records Office of the Company is 1000 Cathedral Place, 925 West Georgia St., Vancouver, BC V6C 3L2. By the date of receivership, the Company had vacated its leased office premises in Calgary, as more fully outlined in the Receiver’s First Report.

- b) Principal line of business: Oil and gas exploration and production.
- c) Location of the business: Lexin is a company incorporated under the British Columbia Business Corporations Act, but is extra-provincially registered in the Province of Alberta. All of Lexin's operations were based in Alberta.
- d) Based on a review of the Alberta Personal Property Registries, the following is a list of registered claims made against Lexin, and/or against Lexin's predecessor names:

	Type of Registration	Amount (if known)
1 MFC Energy Finance Inc.	Security Agreement/ Land Charge	Unknown
2 Caledonian Royalty Corporation	Security Agreement/ Land Charge	Unknown
3 Compass Compression Services Ltd.	Security Agreement/ Report of Seizure	Unknown
4 Summit Acceptance Corp.	Security Agreement/ Report of Seizure	Unknown
5 Marquinn Industries Ltd.	Security Agreement	Unknown
6 Enerflex Ltd.	Security Agreement	Unknown
7 1049597 BC Ltd.	Security Agreement	Unknown
8 Altagas Processing Partnership	Security Agreement	Unknown
9 Alberta Treasury Branch	Security Agreement/ Land Charge	Unknown
10 MFC Acquisition Inc.	Security Agreement/ Land Charge	Unknown
11 TAQA North	Security Agreement/ Writ of Enforcement	Unknown
12 MFC Industrial Ltd.	Land Charge	Unknown
13 Deloitte Management Services LP	Report of Seizure	Unknown
14 Vulcan County	Report of Seizure	Unknown
15 Municipal District of Ranchland No. 66	Report of Seizure	Unknown
16 Triple Seven Integrity Management Inc.	Writ of Enforcement	31,063
17 Baker Hughes Canada Company	Writ of Enforcement	105,348
18 Municipal District of Foothills No. 31	Writ of Enforcement	3,344,557
19 Municipal District of Willow Creek No.26	Statutory Charge	Unknown

In addition to the above, the AER also holds a statutory lien in the amount of \$1,076,251.

- e) As explained in the Receiver's First Report, the Receiver has not yet been able to review the Company's accounting records, therefore it is unable at this time to provide a list of creditors from Lexin's records. Based on the information available to the Receiver, including inquiries made by and information obtained from Lexin stakeholders, the Receiver is aware of the following general groups of creditors:
- i. WIPs;
 - ii. mineral rights owners;
 - iii. royalty owners;
 - iv. land owners;
 - v. former landlords;
 - vi. former employees;
 - vii. municipalities;
 - viii. regulatory bodies and agencies; and
 - ix. general trade creditors.
- f) The intended plan of the Receiver at this early stage in the proceedings, is to continue to investigate the state of affairs of Lexin, including the intention by the Receiver to issue an amended Notice and Statement of Receiver following the Receiver's ability to gain access to the Company's records and compile a more fulsome creditor list than that outlined above. The Receiver also intends to conduct a sales process in due course to market and sell Lexin's assets.
- g) Contact number for Receiver: 403-508-1371

For more information on the receivership proceedings, please visit: www.grantthornton.ca/lexin

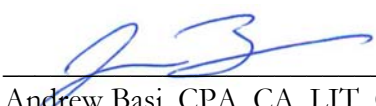
DATED at Calgary, Alberta, this 13th day of April, 2017.

Grant Thornton Limited,

in its capacity as receiver and manager of

Lexin Resources Ltd.

and not in its personal capacity

Per: 
Andrew Basi, CPA, CA, LIT, CIRP
Senior Vice President