



ESTATE/COURT FILE NUMBER

25 – 094136

COURT

COURT OF QUEEN'S BENCH OF ALBERTA
IN BANKRUPTCY

IN THE MATTER OF THE SECOND
AMENDED PROPOSAL OF WHITEMUD
RESOURCES INC.

JUDICIAL CENTRE

CALGARY

DOCUMENT

ORDER

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

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Client File No.: 27113.24

**DATE ON WHICH ORDER WAS
PRONOUNCED**

AUGUST 12, 2011 at CALGARY, ALBERTA

**NAME OF JUDGE WHO
MADE THIS ORDER**

MADAM JUSTICE B.E. ROMAINE

ORDER

UPON the Application of Deloitte & Touche Inc., in its capacity as Proposal Trustee of Whitemud Resources Inc. ("Whitemud") for an Order approving the second amended proposal in bankruptcy made on behalf of Whitemud and filed on July 11, 2011 (the "Second Amended Proposal"); AND UPON having read: (i) the notice of this Application, filed; (ii) the First Report of Deloitte & Touche Inc., in its capacity as Receiver and Manager of Whitemud (the "Receiver") dated March 23, 2011; (iii) the Confidential Supplement to the First Report of the

Receiver, dated March 28, 2011; (iv) the Second Report of the Receiver dated May 6, 2011; (v) the Third Report of the Receiver dated June 23, 2011; (vi) the Second Amended Proposal; and (vii) the Form 40 Report of Trustee on the Second Amended Proposal dated July 27, 2011; AND UPON hearing from counsel for the Proposal Trustee and the Receiver and counsel for certain interested parties; IT IS HEREBY ORDERED AND DECLARED THAT:

1. The Second Amended Proposal is hereby approved.
2. The following five individuals, all of Calgary, Alberta, are hereby appointed as interim directors of Whitemud to hold office until the next Annual General Meeting of the shareholders of Whitemud:
 - (a) Al J. Kroontje;
 - (b) Stanley A. Owerko;
 - (c) William B. Lester;
 - (d) Randall J. Findlay; and
 - (e) Vince Davoli;

and as interim directors, they shall from the date of this Order be solely responsible for the control and operation of the property, assets and undertaking of Whitemud.

3. Whitemud is hereby authorized and directed to issue to Kasten Energy Inc. ("Kasten") or its nominee or nominees, 16,000,000 Class "A" Common Shares and 326,499,700 Class "B" Non-Voting Common Shares of Whitemud.
4. Kasten, the sponsor and funder of the Second Amended Proposal, shall from the date of this Order be solely responsible for carrying out the terms of the Second Amended Proposal (other than payments to be made by the Receiver/Trustee as set out in the Second Amended Proposal).

"B.E. Romaine"

J.C.Q.B.A.