

January 13, 2009

TO: THE CREDITORS OF MAHALO ENERGY INC. (“MAHALO”)

On January 13, 2009 the Court of Queen’s Bench of Alberta granted a Claims Procedure Order. As required pursuant to the Order, the following documents are in enclosed:

1. The Filed Claims Procedure Order
2. An Instruction Letter for completing the proof of claim
3. A Proof of Claim Form

If you have any questions, please contact Kiu Lau at (403) 296-2985 or by email at klau@alger.ca.

Please complete the proof of claim form on or before February 5, 2010 (the “Claims Bar Date”).

Any Creditor who does not file a Proof of Claim by the Claims Bar Date, or such later date as the Court may provide, shall be forever barred from making claim against Mahalo and shall be not entitled to vote at any Creditors’ meeting or receive any distribution under a plan of arrangement pursuant to the CCAA proceedings involving Mahalo.

**Alger & Associates Inc.,
in its capacity as Monitor of Mahalo Energy Inc.**