

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

IN THE MATTER OF THE PROPOSAL OF
RADIUS RESOURCES CORP.

BEFORE REGISTRAR) At the Court Centre, in the City of Calgary, in
IN CHAMBERS J. L. MASON) the Province of Alberta, on Tuesday, the 13th
) day of April, 2010.

ORDER

UPON THE APPLICATION of the Proposal Trustee, Alger & Associates Inc. (the "Proposal Trustee") for an Order approving the Proposal of Radius Resources Corp. ("Radius") filed with the Office of Superintendent in Bankruptcy / Official Receiver on March 19, 2010 and accepted by the requisite majority of Radius' creditors at the meeting of creditors held April 6, 2010 (the "Proposal"); **AND UPON REVIEWING** the Proposal, the Report of the Proposal Trustee dated March 19, 2010, filed (the "Proposal Trustee's First Report") and the Report of the Proposal Trustee dated April 7, 2010 (the "Proposal Trustee's Second Report"), filed; **AND UPON HEARING** from counsel for the Proposal Trustee and counsel for Radius; **AND UPON HEARING** that the Proposal has been accepted by the required majority of the creditors of Radius;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. The time for service of the Notice of Hearing of Application for Court Approval of Proposal filed April 6, 2010, the Notice of Motion filed April 7, 2010, the Proposal Trustee's First Report and the Proposal Trustee's Second Report herein be, and it is hereby abridged, to the date of actual service and that the service, including the manner of service of the application materials, be and is hereby approved and validated, that the application is properly returnable today and that all parties entitled to notice of this application have been properly served ~~and further service thereof is hereby dispensed with.~~ ✓ "J. M. '77"

I hereby certify this to be a true copy of the original Order of which it purports to be a copy.

2. The application is properly returnable today notwithstanding that the time requirements of Section 58 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3 (“*BIA*”) have not been complied with.

3. The Proposal:

- (a) is fair and reasonable;
- (b) has been calculated to benefit the general body of Radius’ creditors;
- (c) has been made in good faith; and
- (d) has been agreed to and approved by the requisite majorities of Radius’ creditors pursuant to the *BIA*.

4. The Proposal is hereby approved.

5. The Articles of Reorganization of Radius attached to the Proposal as Schedule 1 are hereby approved.

6. The sale by Radius to Argosy Energy Inc. (“Argosy”), in accordance with the terms of the Proposal, of all of the common shares of Radius’ issued and outstanding capital pursuant to the terms of a Purchase and Sale Agreement made between Radius and Argosy dated March 18, 2010, is hereby approved.

7. The cancellation, in accordance with the terms of the Proposal, of :

- (a) all Existing Radius Equity (as such term is defined in the Proposal), without payment or consideration or any other right; and
- (b) any and all accrued dividends or interest in respect of any Existing Radius Equity (as such term is defined in the Proposal),

is hereby approved.

8. The Proposal Trustee and Radius are authorized and directed to take all actions and steps necessary or appropriate to implement and complete the Proposal, including authorization and direction to make all payments and distributions required to be made pursuant to the Proposal.

9. This Order shall have full force and effect in all provinces and territories in Canada and abroad and as against all persons whom it may otherwise be enforceable.

10. This Court orders and requests the aid and recognition of any court of any judicial, regulatory or any judicial, regulatory or administrative body in any province or territory of Canada and the Federal Court of Canada and any judicial, regulatory or administrative tribunal or other court or any judicial, regulatory or administrative body of the United States of America and the states or other subdivisions of the United States of America or of any nation or state to act in aid of and to be complementary to this Court in carrying out the terms of this Order.


REGISTRAR IN BANKRUPTCY

ENTERED this 13 day of April, 2010.


Clerk of the Court 

BANKRUPTCY AND INSOLVENCY
FAILLITE ET INSOLVABILITE
APR 13 2010
CALGARY, ALBERTA

Court No.: 25-1325708
Estate No.: 25-1325708

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

IN THE MATTER OF THE PROPOSAL
OF RADIUS RESOURCES CORP.

ORDER



MACPHERSON LESLIE
& TYERMAN LLP
LAWYERS

Canterra Tower
#4505, 400 – 3rd Avenue SW
Calgary, AB T2P 4H2

Attention: Dean A. Hutchison

Telephone: (403) 693-4300

Facsimile: (403) 508-4349

File No.: 003510-0004