

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

_____	x	
In re CANADIAN SUPERIOR SECURITIES	:	Master File No. 1:09-cv-10087-SAS
LITIGATION	:	
_____	:	<u>CLASS ACTION</u>
This Document Relates To:	:	
	:	SETTLEMENT AGREEMENT
ALL ACTIONS.	:	
_____	x	

Court File No.: 1626CP

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

B E T W E E N

DOUGLAS DEVLIN and PATHWAY MULTI SERIES FUND INC.

Plaintiffs

- and -

GREG S. NOVAL, LEIGH BILTON, MICHAEL E. COOLEN,  
CHARLES DALLAS, THOMAS J. HARP, CRAIG MCKENZIE, ALEXANDER SQUIRES,  
ROBB D. THOMPSON, RICHARD WATKINS, LEIF SNETHUN,  
SONDE RESOURCES CORP. (f.k.a. CANADIAN SUPERIOR ENERGY INC.) and  
CHALLENGER ENERGY CORP.

Defendants

Proceeding under the *Class Proceedings Act, 1992*

[Caption continued on following page.]

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

B E T W E E N

DOUGLAS DEVLIN

Plaintiffs

- and -

GREG S. NOVAL, LEIGH BILTON, MICHAEL E. COOLEN,  
CHARLES DALLAS, THOMAS J. HARP, CRAIG MCKENZIE, ALEXANDER SQUIRES,  
ROBB D. THOMPSON, RICHARD WATKINS, LEIF SNETHUN,  
CANADIAN SUPERIOR ENERGY INC. and  
CHALLENGER ENERGY CORP.

Defendants

Proceeding under the *Class Proceedings Act, 1992*

Court File No.: CV-10-14848

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

B E T W E E N

ROBERT RAE

Plaintiff

- and -

GREGORY S. NOVAL, CRAIG MCKENZIE,  
MICHAEL E. COOLEN, ROBB THOMPSON and ALEXANDER SQUIRES

Defendants

Proceedings under the *Class Proceedings Act, 1992*

This Settlement Agreement, including these recitals and the Exhibits attached hereto, (the “Stipulation”) is submitted in the above-captioned *In re Canadian Superior Securities Litigation*, Master File No. 1:09-cv-10087-SAS (the “U.S. Action”), proceeding in the United States District Court for the Southern District of New York (the “U.S. Court”) and further in the above-captioned *Devlin v. Noval, et al.*, Court File No. 1358/10CP, *Devlin and Pathway Multi Series Fund Inc. v. Noval, et al.*, Court File No. 1626CP, and *Rae v. Noval et al.*, Court File No. CV-10-14848 proceedings (the “Canadian Actions”) in the Ontario Superior Court of Justice (the “Ontario Court”).

Subject to the approval of the U.S. Court, pursuant to Rule 23 of the Federal Rules of Civil Procedure, this Stipulation is entered into among Lead Plaintiff Gino Ströker (hereinafter, “U.S. Lead Plaintiff”) on behalf of himself and the U.S. Class (as defined herein) and the defendants Gregory S. Noval, Michael E. Coolen, Craig McKenzie, Leif Snethun, Leigh Bilton, Charles Dallas, Thomas J. Harp, Alexander Squires, Robb D. Thompson, Richard Watkins, Sonde Resources Corp. (f/k/a Canadian Superior Energy Inc.) (“Sonde” or “Canadian Superior”), and Challenger Energy Corp. (“Challenger”) (collectively, the “Defendants”), by and through their respective counsel.

Subject to the approval of the Ontario Court, pursuant to Section 29 of the Ontario *Class Proceedings Act, 1992*, this Stipulation is entered into among Robert Rae, Douglas Devlin, and Pathway Multi Series Fund Inc. (the “Canadian Representative Plaintiffs”) on behalf of themselves and the Canadian Class (as defined herein) and the Defendants, by and through their respective counsel.

It is a condition to the Settlement (as defined herein) that the U.S. Action and the Canadian Actions (collectively, the “Actions”) be settled contemporaneously and that the Settlement be approved by both of the respective courts in the Actions.

WHEREAS:

A. On and after December 9, 2009, several purchasers of Canadian Superior common stock filed separate securities class action lawsuits in the U.S. Court.

B. In May and June 2010, the Canadian Representative Plaintiffs commenced the Canadian Actions through their counsel, Siskinds LLP, Jensen Shawa Solomon Duguid Hawkes LLP and Sutts, Strosberg LLP (the “Canadian Class Counsel”) against the Defendants before the Ontario Court on their behalf and on behalf of a putative class comprised of all persons, with certain exceptions, who acquired securities of Canadian Superior during the period between January 14, 2008 and February 17, 2009, inclusive.

C. The Actions allege, among other things, that Defendants made materially false and misleading statements in connection with, among other things, (1) test results from certain natural gas wells off the coast of Trinidad and Tobago, (2) accounting, progress, and planning of a joint venture and allocation of costs to develop the project, and (3) Canadian Superior’s stock option practices.

D. The Canadian Actions plead negligence, negligent and fraudulent misrepresentation, oppression, unjust enrichment and a statutory claim for secondary market misrepresentation against the Defendants.

E. On March 29, 2010, the U.S. Court appointed Lead Plaintiff and approved Robbins Geller Rudman & Dowd LLP and Holzer Holzer & Fistel LLC as Co-Lead Counsel (“U.S. Lead Plaintiff’s Counsel”) in the action. On August 25, 2010, the U.S. Court consolidated the complaints into the U.S. Action.

F. On April 30, 2010, the U.S. Lead Plaintiff filed his amended complaint for violations of U.S. federal securities laws (the “Complaint”) alleging, among other things, that defendants

violated §§10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder by issuing public false and misleading statements. The alleged statements were made or omitted from the press releases and SEC filings during the Class Period. The U.S. Action sought to have a class certified comprised of all persons who purchased Canadian Superior common stock during the period from January 14, 2008 through February 17, 2009, inclusive, other than certain specified excluded persons.

G. On June 4, 2010, defendants filed their motion to dismiss the Complaint. U.S. Lead Plaintiff filed his opposition to the motion to dismiss on July 2, 2010, and defendants filed their reply on July 19, 2010. On August 6, 2010, the Court issued an Opinion and Order granting in part and denying in part defendants' motion.

H. With the assistance of the Honorable Nicholas Politan (Ret.), a retired United States District Court judge acting as a mediator, the respective plaintiffs in the Actions, by their counsel, conducted discussions and arm's-length negotiations with counsel for Defendants with respect to a global compromise and settlement of the Actions, with a view to settling all of the issues in dispute and achieving the best relief possible consistent with the interests of the respective classes in the Actions. Such discussions and negotiations included the exchange of mediation submissions including documents and case law, as well as a one-day mediation session on August 16, 2010, overseen by Judge Politan.

I. This Stipulation shall not be construed or deemed to be a concession by the U.S. Lead Plaintiff, the Canadian Representative Plaintiffs or any Class Member (as defined below) of any infirmity in the claims asserted in the Actions or any other action. Nonetheless, they recognize the expense and length of continued proceedings necessary to prosecute the Actions through trial and appeals, and also have taken into account the uncertain outcome and risk of any litigation, especially

in complex actions such as the Actions, as well as the delays inherent in such litigation. They are further mindful of the inherent problems of proof under, and defenses to, the securities law, corporate law and common law violations asserted in the Actions, and believe that the settlement provided for in this Stipulation confers substantial benefits upon the Class (as defined herein). Having made a thorough investigation, U.S. Lead Plaintiff and the Canadian Representative Plaintiffs and their respective counsel have determined that the settlement provided for in this Stipulation is fair, reasonable, adequate, and in the best interests of the Class.

J. This Stipulation shall in no event be construed or deemed to be evidence of or an admission or concession on the part of any Defendant with respect to any claim of any fault or liability or wrongdoing or damage whatsoever, or any infirmity in the defenses that the Defendants have asserted or could have asserted. The Defendants deny any wrongdoing or liability whatsoever in respect of each and all claims and contentions alleged in the Actions, and deny that the U.S. Lead Plaintiff, the Canadian Representative Plaintiffs and the members of the Class have suffered any damages, loss or harm whatsoever by reason of any conduct or omissions of the Defendants alleged in the Actions or otherwise. Nonetheless, the Defendants have concluded that further conduct in the Actions would be protracted and expensive and have therefore determined that it is desirable and beneficial to them that the Actions be fully and finally settled in the manner and upon the terms and conditions set forth in this Stipulation, and are entering into this Stipulation solely because the settlement herein would eliminate the burden and expense of further litigation.

NOW THEREFORE, it is hereby STIPULATED AND AGREED by and between the parties to this Stipulation, through their respective counsel:

#### **DEFINITIONS**

1. As used in this Stipulation, the following terms shall have the following meanings:

(a) “Authorized Claimant” means a Class Member or authorized representative of such a Class Member who submits a timely and valid Proof of Claim form to the Claims Administrator.

(b) “Canadian Class” means the class to be certified, for purposes of settlement only, by the Ontario Court in the Canadian Actions, comprising all Persons, other than Excluded Persons, who purchased or otherwise acquired Canadian Superior common stock during the Class Period on the Toronto Stock Exchange.

(c) “Canadian Class Member” means a member of the Canadian Class.

(d) “Canadian Pre-Approval Order” means the order sought to be issued by the Ontario Court, substantially in the form attached hereto as Exhibit “A.”

(e) “Claims Administrator” means such entity as is approved by the Courts to administer the Settlement.

(f) “Class” means all members of the U.S. Class and the Canadian Class.

(g) “Class Member” means a member of the Class.

(h) “Class Period” means January 14, 2008 to February 17, 2009, inclusive.

(i) “Courts” means the U.S. Court and the Ontario Court.

(j) “Defendants’ Counsel” means Morrison & Foerster, LLP and Macleod Dixon LLP.

(k) “Defendants’ Insurers” means certain underwriters at Lloyd’s, London and Great American Insurance Company.

(l) “Defendant Releasers” means the Defendants, their personal representatives, heirs, executors, administrators, trustees, successors and assigns.

(m) “Effective Date” means the date upon which the Settlement contemplated by this Stipulation shall become effective, as set forth in ¶39 hereof.

(n) “Escrow Agent” means Robbins Geller Rudman & Dowd LLP or its successor(s) acting as agent for the Class, and who is obligated to timely report each of the directions given and the actions taken regarding the Escrow Agent Account to Siskinds LLP.

(o) “Escrow Agent Account” means an interest-bearing trust account established by the Escrow Agent by investing the Gross Settlement Fund in a liquid money market account or equivalent security with a rating equivalent to or better than that of a Canadian Schedule 1 Bank, and held and maintained in trust by the Escrow Agent in accordance with the terms of this Stipulation, and which the Escrow Agent has identified to Defendants’ Insurers and provided the particulars for wire transfer thereto at least five (5) business days prior to the dates on which any contribution by, or on behalf of, Defendants is due under the terms of this Stipulation.

(p) “Excluded Person” means: (i) the Defendants; (ii) members of the immediate family of each current or former Individual Defendant (as defined in Section 1(s)) in the Actions; (iii) any entity in which a Defendant has a controlling interest; (iv) any parent, subsidiary, or affiliate of Sonde or Challenger; (v) the directors and officers of Canadian Superior during the Class Period; (vi) the legal representatives, heirs, predecessors, successors, or assigns of any Defendant in the Actions; and (vii) any putative members of the Class who exclude themselves by timely requesting exclusion by filing an Opt-out Request with the Claims Administrator in accordance with the requirements set forth in notice to putative Class Members approved by the Courts as provided for herein.

(q) “Final” or “Finality” with respect to the Judgments means: (a) if no appeal is filed, the expiration date of the time provided for under the corresponding rules of the applicable

court or legislation for filing or noticing any appeal from the Court's Judgments approving the Settlement; or (b) if there is an appeal from the Judgments, the date of (i) final dismissal of any appeal from the Judgments, or the final dismissal of any proceeding on certiorari or otherwise to review the Judgments; or (ii) the date of final affirmation of the Judgments on an appeal, the expiration of the time to file a petition for a writ of certiorari or other form of review, or the denial of a writ of certiorari or other form of review of the Judgments and, if certiorari or other form of review is granted, the date of final affirmation of the Judgments following review pursuant to that grant. Any proceeding or order, or any appeal or petition for a writ of certiorari or other form of review pertaining solely to (i) any application for attorneys'/counsel fees, costs or expenses, and/or (ii) the Plan of Allocation, shall not in any way delay or preclude the Judgments from becoming Final.

(r) "Gross Settlement Fund" means the cash amounts to be paid pursuant to ¶8 hereof, which consists of USD \$5,200,000, and any interest on or other income or gains in respect of said sum earned while such amounts are held by the Escrow Agent.

(s) "Individual Defendants" means Gregory S. Noval, Michael E. Coolen, Craig McKenzie, Leif Snethun, Leigh Bilton, Charles Dallas, Thomas J. Harp, Alexander Squires, Robb D. Thompson and Richard Watkins.

(t) "Judgment" or "Judgments" means the orders to be issued by the Courts approving the Settlement substantially in the forms attached hereto as Exhibits "B" (the "Canadian Judgment") and "D" the "U.S. Judgment").

(u) "Net Settlement Fund" has the meaning defined in ¶12(a) hereof.

(v) "Notice Date" means the first day on which the Notice of Pendency and Certification of Class Actions, Proposed Settlement and Settlement Approval/Fairness Hearings (the "Notice") and Proof of Claim are mailed to Class Members.

(w) “Opt-out Deadline” means the last date by which Class Members may mail or otherwise submit an Opt-out Request to the Claims Administrator in order to exclude themselves from the Class, which shall be the Notice Date plus 60 days.

(x) “Opt-out Request” means a signed written letter of request for exclusion from the Class that lists the Class Member’s name, address and telephone number plus the date(s), price(s) and number(s) of shares of all of the Class Member’s purchases, acquisitions and sales of Canadian Superior common stock during the Class Period, supported by broker confirmations or other documentation of the transactions, when submitted by a Class Member to the Claims Administrator before the Opt-out Deadline will enable a Class Member to exclude himself, herself or itself from the Class, and thereby the Actions.

(y) “Opt-out Threshold” means the number of shares of Canadian Superior common stock traded during the Class Period specified in the Supplemental Agreement.

(z) “Person” means an individual, corporation, general or limited partnership, association, joint stock company, joint venture, limited liability company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof and any other business or legal entity and its heirs, predecessors, successors, representatives, or assigns.

(aa) “Plaintiffs” means the U.S. Lead Plaintiff and the Canadian Representative Plaintiffs.

(bb) “Plaintiffs’ Counsel” means U.S. Lead Plaintiff’s Counsel and Canadian Class Counsel.

(cc) “Plan of Allocation” means the plan for distribution of the Net Settlement Fund to Authorized Claimants as approved by the Courts.

(dd) “Plan of Notice” means the proposed plan for dissemination of the Pre-Approval Notices attached hereto as Exhibit “E.”

(ee) “Pre-Approval Notices” means the short-form and long-form notices referred to in ¶33 herein and respectively attached as Exhibits “F” and “G,” or as otherwise acceptable to Plaintiffs’ Counsel and to Defendants’ Counsel, each acting reasonably, and as approved by the respective Courts in the Pre-Approval Orders.

(ff) “Pre-Approval Orders” means the Canadian Pre-Approval Order and the U.S. Pre-Approval Order.

(gg) “Proof of Claim” means such form acceptable to Plaintiffs’ Counsel and Defendants’ Counsel, each acting reasonably, and as approved by the Courts, which, when completed and submitted in a timely manner to the Claims Administrator, enables a Class Member to apply for compensation under the Settlement, and which shall further include an acknowledgement and acceptance of the release of the Settled Claims against the Released Parties.

(hh) “Released Parties” means any and all of the Defendants, and each of their respective present and former parents, subsidiaries, affiliates, officers, directors, employees, general or limited partners or partnerships, foundations, trusts, principals, trustees, attorneys, legal counsel, auditors, accountants, investment bankers, consultants, agents, insurers (including Defendants’ Insurers), co-insurers, heirs, executors, administrators, predecessors, successors and assigns.

(ii) “Released Plaintiff Parties” means the U.S. Lead Plaintiff, the Canadian Representative Plaintiffs, Plaintiffs’ Counsel, and all Class Members.

(jj) “Releasers” means, individually and collectively, U.S. Lead Plaintiff, Canadian Representative Plaintiffs and all Class Members on behalf of themselves, their personal representatives, agents, heirs, executors, administrators, trustees, beneficiaries, current and former

plan members and contributors, successors, assigns, and any person they represent in relation to Canadian Superior securities purchased or otherwise acquired during the Class Period or in relation to the Settled Claims.

(kk) “Settled Claims” means any and all claims, debts, demands, rights, actions, causes of action, suits, matters, issues, damages, losses or liabilities whatsoever (including, but not limited to, any claims for interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses or liability whatsoever), whether based on United States or Canadian federal, state, provincial, local, statutory or common law or any other law, rule or regulation, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, whether class or individual in nature, including both known claims and Unknown Claims (as defined herein) (i) that have been asserted in any of the Actions against any of the Released Parties; or (ii) that could have been asserted in any forum by the Class Members or any of them (as purchasers of Canadian Superior common stock during the Class Period) against any of the Released Parties which arise out of or are based upon the allegations, transactions, facts, matters, breaches, occurrences, financial statements, statements, representations or omissions involved, set forth, or referred to in the Actions (except that Settled Claims does not include claims, rights or causes of action or liabilities whatsoever (i) to enforce the Settlement; and (ii) for breach or violation of any of the terms of this Stipulation or orders or judgments issued by the Courts in connection with the Settlement or confidentiality obligations with respect to settlement communications).

(ll) “Settled Defendants’ Claims” means any and all claims, rights or causes of action or liabilities whatsoever, whether based on United States or Canadian federal, state, provincial, local, statutory or common law or any other law, rule or regulation, including both known claims and Unknown Claims, that have been or could have been asserted in the Actions or in any

forum by the Defendants or any of them or the successors and assigns of any of them against any of the U.S. Lead Plaintiff, Canadian Representative Plaintiffs or Class Members or their attorneys, which arise out of or relate in any way to the institution or prosecution of the Actions (except that Settled Defendants' Claims does not include all claims, rights or causes of action or liabilities whatsoever related to the settlement of the Actions, including enforcement of the Settlement and any of the terms of this Stipulation or orders or judgments issued by the Courts in connection with the Settlement or confidentiality obligations with respect to settlement communications).

(mm) "Settlement" means the global settlement of the Actions contemplated by this Stipulation.

(nn) "Supplemental Agreement" means the agreement between Plaintiffs' Counsel and Defendants' Counsel setting forth certain conditions under which this Settlement may be terminated.

(oo) "Taxes" means (i) any and all applicable taxes, duties and similar charges imposed by a government authority (including any estimated taxes, interest or penalties) arising in any jurisdiction, if any (A) with respect to the income or gains earned by or in respect of the Gross Settlement Fund, including, without limitation, any taxes that may be imposed upon Canadian Superior or its counsel with respect to any income or gains earned by or in respect of the Gross Settlement Fund for any period while it is held by the Escrow Agent during which the Gross Settlement Fund does not qualify as a Qualified Settlement Fund for federal, state or provincial income tax purposes; or (B) by way of withholding as required by applicable law on any distribution by the Escrow Agent or the Claims Administrator of any portion of the Gross Settlement Fund to Authorized Claimants and other persons entitled hereto pursuant to this Stipulation; and (ii) any and all expenses, liabilities and costs incurred in connection with the taxation of the Gross Settlement

Fund (including without limitation, expenses of tax attorneys and accountants). For the purposes of subparagraph (ii) (A) hereof, taxes imposed on Canadian Superior shall include amounts equivalent to taxes that would be payable by Canadian Superior but for the existence of relief from taxes by virtue of loss carryforwards or other tax attributes, determined by Canadian Superior, acting reasonably and accepted by the Escrow Agent, acting reasonably.

(pp) “Unknown Claims” shall mean any and all Settled Claims which any of the Plaintiffs or the Class Members do not know or suspect to exist in their favor at the time of the Effective Date, and any Settled Defendants’ Claims which any Defendant does not know or suspect to exist in his or its favor at the time of the Effective Date which if known might have affected the decisions with respect to the Settlement and releases therein. With respect to any and all Settled Claims and Settled Defendants’ Claims, the parties stipulate and agree that, upon the Effective Date, Plaintiffs and Defendants shall expressly waive, and each Class Member shall be deemed to have waived, and by operation of the judgments shall have expressly waived, any and all provisions, rights and benefits conferred by any law of any state, province, or territory of the United States or Canada, or principle of common law or otherwise, which provides that a general release does not extend to claims which a creditor or releasor does not know or suspect to exist in their favor at the time of executing the release which, if known, might have materially affected their settlement and release of individuals and persons, including any provisions, rights or benefits under California Civil Code §1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in her or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Plaintiffs and Class Members may hereinafter discover facts in addition to, or different from, those which they now know or believe to be true with respect to the subject matter of the Settled Claims,

but Plaintiffs shall expressly fully, finally, and forever settle and release, and each Class Member, upon the Effective Date, shall be deemed to have and, by operation of the judgments shall have, fully, finally, and forever settled and released any and all Settled Claims. Plaintiffs and Defendants acknowledge, and Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of “Unknown Claims” in the definition of Settled Claims and Settled Defendants’ Claims was separately bargained for and was a key element of the Settlement. Defendants may hereinafter discover facts in addition to, or different from, those which they know or believe to be true with respect to the subject matter of the Settled Defendants’ Claims, but Defendants shall expressly fully, finally, and forever settle and release any and all Settled Defendants’ Claims.

(qq) “U.S. Class” means the class to be certified, for purposes of settlement only, by the U.S. Court in the U.S. Action, comprising all Persons who purchased or otherwise acquired Canadian Superior common stock during the Class Period, other than the Excluded Persons and the Canadian Class.

(rr) “U.S. Class Member” means a member of the U.S. Class.

(ss) “U.S. Pre-Approval Order” means the order sought to be issued by the U.S. Court, substantially in the form attached hereto as Exhibit ‘C.’

### **SCOPE AND EFFECT OF SETTLEMENT**

2. The obligations incurred pursuant to this Stipulation shall be in full and final disposition with prejudice of the Actions and any and all Settled Claims as against all Released Parties and any and all Settled Defendants’ Claims. Nothing herein shall affect any right to enforce the terms of the Stipulation.

3. Upon the Effective Date, the Releasors release and forever discharge, and are forever barred and enjoined from prosecuting any and all Settled Claims against any of the Released Parties,

and shall not institute, continue, maintain or assert, either directly or indirectly, whether in the United States, Canada or elsewhere, on their own behalf or on behalf of any class or any other person, any action, suit, cause of action, proceeding, complaint, claim or demand against any Released Party or any other person who may claim any form of contribution or indemnity from any Released Party in respect of any Settled Claim or any matter related thereto.

4. Upon the Effective Date, this Stipulation shall operate conclusively as an estoppel and full defense in the event of any action, suit, cause of action, proceeding, complaint, claim or demand brought by any Releasors against any of the Released Parties with respect to Settled Claims, and this Stipulation may be pleaded in the event of any such action, suit, cause of action, proceeding, complaint, claim or demand and relied upon for the purpose of an application to dismiss the action, suit, cause of action, proceeding, complaint, claim or demand on a summary basis. Following the Effective Date, no Releasor may seek to avoid the application of this Stipulation based on a lack of privity or mutuality. In the event that any Releasor initiates or seeks to prosecute, in any action, suit, cause of action, proceeding, complaint, claim or demand of any kind, a Settled Claim against any of the Released Parties, the Released Party against whom the Settled Claim is asserted shall be entitled to recover from such Releasor its actual costs, including actual legal fees, on a full indemnity basis, in defending the action, suit, cause of action, proceeding, complaint, claim or demand.

5. With respect to any and all Settled Claims and Settled Defendants' Claims, the parties stipulate and agree that upon the Effective Date, U.S. Lead Plaintiff, the Canadian Representative Plaintiffs and the Defendants shall expressly waive, and each Class Member shall be deemed to have waived, and by operation of the Judgments shall have expressly waived, any and all provisions, rights and benefits conferred by any law of any state, province or territory of the United States or Canada, or principle of common law or otherwise, which provides that a general release does not

extend to claims which a creditor or releasor does not know or suspect to exist in his, her or its favor at the time of executing the release, which if known, might have materially affected his, her or its settlement and release of individuals and entities. U.S. Lead Plaintiff, the Canadian Representative Plaintiffs, and Class Members may hereinafter discover facts in addition to, or different from, those which he, she or it now knows or believes to be true with respect to the subject matter of the Settled Claims, but the U.S. Lead Plaintiff and the Canadian Representative Plaintiffs shall expressly fully, finally and forever settle and release, and each Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgments, shall have, fully, finally, and forever settled and released any and all Settled Claims. U.S. Lead Plaintiff, the Canadian Representative Plaintiffs and the Defendants acknowledge, and Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of "Unknown Claims" in the definition of Settled Claims and Settled Defendants' Claims was separately bargained for and was a key element of the Settlement.

6. Upon the Effective Date, the Defendant Releasors release and forever discharge each and every one of the Settled Defendants' Claims, and are forever barred and enjoined from prosecuting the Settled Defendants' Claims against the Released Plaintiff Parties.

7. Upon the Effective Date, this Stipulation shall operate conclusively as an estoppel and full defense in the event of any action, suit, cause of action, proceeding, complaint, claim or demand brought by any Defendant Releasors against any of the Released Plaintiff Parties with respect to Settled Defendants' Claims and this Stipulation may be pleaded in the event of any such action, suit, cause of action, proceeding, complaint, claim or demand and relied upon for the purpose of an application to dismiss the action, suit, cause of action, proceeding, complaint, claim or demand on a summary basis. In the event that any Defendant Releasor initiates or seeks to prosecute in any action, suit, cause of action, proceeding, complaint, claim or demand of any kind, a Settled

Defendants' Claim against any of the Released Plaintiff Parties, the Released Plaintiff Party against whom the Settled Defendants' Claim is asserted shall be entitled to recover from such Defendant Releasor its actual costs, including actual legal fees, on a full indemnity basis, in successfully defending the action, suit, cause of action, proceeding, complaint, claim or demand.

### **SETTLEMENT CONSIDERATION**

8. In consideration for the full and final release and discharge provided for in ¶3 hereof, including all claims against Released Parties for legal fees, costs, interest, disbursements, settlement, Taxes, administration, mailing, and any other costs involved in the full and final completion and implementation of the Settlement and the dismissal of the Actions with prejudice, Defendants' Insurers shall pay the sum of FIVE MILLION TWO HUNDRED THOUSAND U.S. DOLLARS (USD \$5,200,000) to the Escrow Agent within fourteen (14) calendar days after both (i) entry of the U.S. Pre-Approval Order by the U.S. Court and (ii) consent certification on a national basis by the Ontario Court by entry of the Canadian Pre-Approval Order.

9. The Escrow Agent shall hold the Gross Settlement Fund in the Escrow Agent Account as agent for the Class, and all funds held by the Escrow Agent shall be deemed to be in the custody of the Courts until such time as the funds shall be distributed to Authorized Claimants or returned to Defendants' Insurers upon termination of the Settlement pursuant to this Stipulation and/or further order of the Courts. The Gross Settlement Fund shall bear all risks related to the investment of the Gross Settlement Fund.

10. If the Settlement is terminated pursuant to this Stipulation (¶¶40-43), the Escrow Agent shall pay the Gross Settlement Fund within twelve (12) calendar days to Defendants' Insurers, less any: (i) Taxes paid or due with respect to any interest or other income earned thereon or in respect thereof; (ii) reasonable costs of administration and notice actually incurred and paid or

payable from the Gross Settlement Fund (as described in ¶16 hereof); (iii) applicable withholding taxes; and (iv) reasonable and administrative costs charged by the financial institution holding the Escrow Agent Account.

11. The parties hereto agree that the Gross Settlement Fund is intended to be a Qualified Settlement Fund within the meaning of Treasury Regulation §1.468B-1, and that the Escrow Agent as administrator of the Gross Settlement Fund within the meaning of Treasury Regulation §1.468B-2(k)(3), shall be responsible for filing tax returns and any other tax reporting for or in respect of the Gross Settlement Fund and paying from the Gross Settlement Fund any Taxes owed with respect to the Gross Settlement Fund. The parties hereto agree that the Gross Settlement Fund shall be treated as a Qualified Settlement Fund from the earliest date possible, and agree to any relation-back election required to treat the Gross Settlement Fund as a Qualified Settlement Fund from the earliest date possible. Canadian Superior agrees to provide promptly to the Escrow Agent the statement described in Treasury Regulation §1.468B-3(e).

12. (a) The Gross Settlement Fund shall be used to pay (i) for all costs incurred and associated with any and all notices to Class Members (and any translations of same into the French language); (ii) any other of the administration costs referred to in ¶16 hereof; and (iii) the attorneys' fees and expense award referred to and subject to ¶18 hereof. The balance of the Gross Settlement Fund after the above payments and payment of any Taxes shall be the "Net Settlement Fund." The Net Settlement Fund shall be transferred following the Effective Date by the Escrow Agent to the Claims Administrator for distribution to Authorized Claimants as provided in the Plan of Allocation and ¶28 hereof.

(b) All Taxes shall be paid out of the Gross Settlement Fund, shall be considered to be a cost of administration of the Settlement and shall be timely paid by the Escrow Agent without

prior order of the Courts. The Claims Administrator and/or the Escrow Agent shall, to the extent required by law, be obligated to withhold from any distributions to Authorized Claimants and other persons entitled thereto pursuant to this Stipulation any funds necessary to pay Taxes including the establishment of adequate reserves for Taxes as well as any amount that may be required to be withheld under Treasury Regulation 1.468B-1(2) or otherwise under applicable law in respect of such distributions. Further, the Gross Settlement Fund shall be applied to indemnify and hold harmless the Defendants and their counsel for Taxes (including, without limitation, taxes payable by reason of any such indemnification).

(c) None of the Released Parties or their respective counsel shall have any responsibility for or liability whatsoever with respect to (i) any act, omission or determination of Plaintiffs' Counsel, the Escrow Agent or the Claims Administrator, or any of their respective designees or agents, in connection with the administration of the Settlement or otherwise; (ii) the management, investment or distribution of the Gross Settlement Fund; (iii) the Plan of Allocation; (iv) the determination, administration, calculation or payment of any claims asserted against the Gross Settlement Fund; (v) any losses suffered by, or fluctuations in the value of, the Gross Settlement Fund; or (vi) the payment of withholding of any Taxes, expenses and/or costs incurred in connection with the taxation of the Gross Settlement Fund or the filing of any returns.

(d) Authorized Claimants shall provide any and all such information that the Claims Administrator may reasonably require and is required by applicable law in respect of Taxes and filings and reportings for and in respect of Taxes, before any distributions are made to Authorized Claimants as contemplated hereby, and the Claims Administrator may, without liability to the Authorized Claimants, delay such distribution unless and until such information is provided in the form required by the Claims Administrator.

## **ADMINISTRATION**

13. The Claims Administrator shall administer the Settlement subject to the jurisdiction of the U.S. Court with respect to the U.S. Class and the Ontario Court with respect to the Canadian Class.

14. To the extent reasonably necessary to effectuate notice of the Settlement, within twenty-one (21) calendar days of the execution of this Stipulation, Canadian Superior shall, at its own expense, provide to the Claims Administrator, to the extent reasonably available, information from Canadian Superior's transfer records concerning the identity and last known address of Class Members during the Class Period, which information the Claims Administrator shall treat as confidential and the Claims Administrator shall take all necessary steps to maintain the confidentiality of such information. This provision shall be subject to all applicable Canadian or U.S. laws concerning the transfer (or inability to transfer) such information.

15. The Escrow Agent, acting solely in its capacity as escrow agent, shall be subject to the jurisdiction of the Courts.

16. The Escrow Agent may pay from the Gross Settlement Fund, without further approval from Defendants' Insurers, all reasonable costs and expenses associated with identifying and notifying the Class Members and effecting mailing and/or publication of notices to the Class approved by the Courts, and the administration of the Settlement including, without limitation, the actual costs of printing and mailing and/or publication of such notices, translation of same into the French language, reimbursements to nominee owners for the actual costs incurred in forwarding the notices and other settlement-related documents to their beneficial owners, and the administrative expenses incurred and fees charged by the Claims Administrator in connection with providing notice and processing the submitted claims. Should either of the Courts require that this Settlement

Agreement be translated into the French language, the costs and expenses of such translation shall be borne by the Settlement Fund. In the event that the Settlement is terminated, as provided for in ¶40 herein, reasonable and proper notice and administration costs paid or accrued in connection with this paragraph shall not be returned to Defendants' Insurers.

### **ATTORNEYS' FEES AND EXPENSES**

17. Contemporaneously with their motion for final approval of the Settlement, U.S. Lead Plaintiff's Counsel will bring a motion to the U.S. Court for an award of attorneys' fees and expenses payable from the Gross Settlement Fund. Canadian Class Counsel will similarly bring a motion to the Ontario Court for an award of their counsel fees and reimbursement of expenses to be paid from the Gross Settlement Fund contemporaneously with their motion for approval of the Settlement. Based on the language concerning the fees sought as set forth in the Notice, Defendants will take no position and will not make submissions on such motions. Plaintiffs' Counsel may make additional motions to the Courts for reimbursement of further expenses including additional notice and administration expenses payable from the Gross Settlement Fund incurred subsequent to any initial motion for attorneys' fees and expenses.

18. Such fees and expenses as are awarded by the U.S. Court to U.S. Lead Plaintiff's Counsel or by the Ontario Court to Canadian Class Counsel from the Gross Settlement Fund shall be payable by the Escrow Agent within five (5) calendar days of award by the applicable court, notwithstanding the existence of any timely filed objections thereto, or potential for appeal therefrom, or collateral attack on the Settlement or any part thereof, subject to Plaintiffs' Counsel's obligations to make appropriate refunds or repayments to the Gross Settlement Fund plus accrued interest at the same rate as is earned by the Gross Settlement Fund under the Escrow Agent Account, if and when, as a result of any appeal and/or further proceedings on remand, or successful collateral

attack, either or both of the fee or expense awards is reduced or reversed. Such reimbursement shall be made no later than fifteen (15) calendar days after such reduction or reversal.

19. The fees and expenses to be paid to U.S. Lead Plaintiff's Counsel and Canadian Class Counsel from the Gross Settlement Fund shall be such amounts as are approved by the Courts. The procedure for, and the allowance or disallowance of any motion for attorneys' fees and expenses, are not a condition of or a part of the Settlement, are to be considered by the Courts separately from the Courts' consideration of the fairness, reasonableness, and adequacy of the Settlement, and shall not affect the validity of the Settlement. Any order or proceeding related to any request for attorneys' fees or expenses, or any appeal from any order or proceedings related thereto, shall not affect or delay the Effective Date and the finality of the Judgments approving the Settlement.

20. The Released Parties shall have no responsibility for, or any liability whatsoever with respect to, any payment of counsel fees and expenses to U.S. Lead Plaintiff's Counsel or to Canadian Class Counsel.

#### **DISTRIBUTION TO AUTHORIZED CLAIMANTS**

21. The Claims Administrator shall determine each Authorized Claimant's share of the Net Settlement Fund based upon each Authorized Claimant's recognized claim as defined in the Plan of Allocation.

22. It is understood and agreed by the parties that any Plan of Allocation proposed to the Courts is not part of the Stipulation and is to be considered by the Courts separately from the Courts' consideration of the fairness, reasonableness and adequacy of the Settlement, and any order or proceeding relating to the Plan of Allocation shall not operate to terminate or cancel the Stipulation or affect the Finality of the Judgments approving the Stipulation and the Settlement set forth herein, or any other orders entered pursuant to the Stipulation.

23. This is not a claims made settlement. Defendants' Insurers shall not be entitled to receive any of the Gross Settlement Fund following the Effective Date. Defendants shall have no involvement in reviewing or challenging claims by claimants.

#### **ADMINISTRATION OF THE SETTLEMENT**

24. Any Class Member who does not submit a timely and valid Proof of Claim will not be entitled to receive any of the proceeds from the Net Settlement Fund but will otherwise be bound by all of the terms of the Stipulation and the Settlement, including the terms of the Judgments to be entered in the Actions and the releases provided for herein, and will be barred from bringing any action, suit, cause of action, proceeding, complaint, claim or demand against the Released Parties concerning the Settled Claims.

25. The Claims Administrator shall process the Proofs of Claim and, after the Effective Date, the Claims Administrator shall distribute the Net Settlement Fund to Authorized Claimants in accordance with the Plan of Allocation approved by the Courts. Defendants and the Released Parties shall have no liability, obligation or responsibility for the administration of the Settlement or disbursement of the Net Settlement Fund.

26. Payment pursuant to the Settlement shall be deemed final and conclusive against all Class Members. All Class Members whose claims are not approved shall be barred from participating in distributions from the Net Settlement Fund, but otherwise shall be bound by all of the terms of this Stipulation and the Settlement, including the terms of the Judgments to be entered in the Actions, and the releases provided for herein, and will be barred from bringing any action against the Released Parties concerning the Settled Claims.

27. All proceedings with respect to the administration, processing and determination of Proofs of Claim, and the determination of all controversies relating thereto, excluding disputed

questions of law and fact with respect to the validity of claims, shall be subject to the jurisdiction of the U.S. Court with respect to U.S. Class Members and to the jurisdiction of the Ontario Court with respect to Canadian Class Members.

28. The Net Settlement Fund shall be distributed to Authorized Claimants by the Claims Administrator only after the Effective Date, and after all claims have been processed, and all claimants whose claims have been rejected or disallowed, in whole or in part, have been notified and provided the opportunity to contest with the Claims Administrator such rejection or disallowance in accordance with the Plan of Allocation.

29. Within one hundred and twenty (120) days after the first mailing of the long-form of the Pre-Approval Notice or such other time as may be set by the Courts, each Class Member claiming to be an Authorized Claimant shall be required to submit to the Claims Administrator a completed Proof of Claim signed under penalty of perjury and supported by such documents as are specified in the Proof of Claim and as are reasonably available to the Class Member.

30. No Class Member shall have any claims against U.S. Lead Plaintiff's Counsel, Canadian Class Counsel or against any of the Released Parties or their counsel based on the investments, costs, expenses, administration, allocations, payments and distributions that are made substantially in accordance with this Stipulation and the Settlement contained herein, the Plan of Allocation approved by the Courts, or further order(s) of the Courts.

#### **NOTICE AND HEARING FOR APPROVAL OF THE SETTLEMENT**

31. The parties herein will use their best efforts to secure the Courts' respective approval of the Settlement and dismissal of the Actions with prejudice. The parties herein agree to stay all proceedings and steps in the Actions other than the proceedings provided for in this Stipulation, until the Effective Date or the termination of this Stipulation as provided herein, whichever occurs first.

32. (a) Promptly after this Stipulation has been fully executed, U.S. Lead Plaintiff shall apply to the U.S. Court, on notice to the Defendants, for entry of the U.S. Pre-Approval Order, substantially in the form annexed hereto as Exhibit “C,” including approval of the Pre-Approval Notices.

(b) Promptly after this Stipulation has been fully executed, Canadian Class Counsel shall contemporaneously apply to the Ontario Court, on notice to the Defendants, for entry of the Canadian Pre-Approval Order, substantially in the form annexed hereto as Exhibit “A,” including approval of the Pre-Approval Notices.

#### **TERMS OF ORDER AND FINAL JUDGMENT**

33. If the Settlement contemplated by this Stipulation is approved by the U.S. Court, U.S. Lead Plaintiff’s Counsel and U.S. counsel to the Defendants shall jointly request that a Judgment be issued and entered substantially in the form annexed hereto as Exhibit “D,” effecting the Settlement, dismissing the U.S. Action with prejudice and causing members of the U.S. Class to be bound by the terms of the Settlement, including the releases provided herein.

34. If the Settlement contemplated by this Stipulation is approved by the Ontario Court, Canadian Class Counsel and Canadian counsel to the Defendants shall request that a Judgment be issued and entered substantially in the form annexed hereto as Exhibit “B,” effecting the Settlement, dismissing the Canadian Actions with prejudice, and causing members of the Canadian Class to be bound by the terms of the Settlement, including the releases provided herein.

35. The Defendants consent to certification of the Actions as class actions as provided for in the aforementioned U.S. Pre-Approval Order, Canadian Pre-Approval Order or Judgments solely for the purpose of effectuating the Settlement. If the Settlement is not approved or is otherwise terminated pursuant to the terms in this Stipulation or the Effective Date for any reason does not

occur, any orders certifying the Actions as class proceedings and certifying the U.S. Class and the Canadian Class and all preliminary and/or final findings regarding the Courts' certification orders shall be automatically set aside on consent upon notice to the Courts, and the Actions shall proceed as though the Actions had never been certified and such findings in respect of class certification had never been made, without prejudice to any party to either request or oppose class certification on any basis.

### **OPT OUTS & OPT OUT THRESHOLD**

36. Putative Class Members shall have the right to exclude themselves, or opt out, from the U.S. Class or Canadian Class, as the case may be, and thereby from the U.S. Action and Canadian Actions and this Settlement. Putative Class Members who wish to elect to opt out must complete the corresponding Opt-out Request and file it with the Claims Administrator by the Opt-out Deadline. Putative Class Members who validly opt out shall be excluded from any and all rights and obligations under the Settlement. Putative Class Members who do not opt out in the manner and time prescribed above shall be deemed to have elected to participate in this Settlement regardless of whether such individual or person timely files a Proof of Claim.

37. Within five (5) calendar days following the Opt-out Deadline, the Claims Administrator shall provide to Defendants' Counsel and Plaintiffs' Counsel a complete, written list, including addresses and contact information of all individuals and persons who have opted out and copies of the completed Opt-out Request containing complete information as to the number of Canadian Superior shares purchased during the Class Period by each individual or person who has elected to opt out.

38. Simultaneously herewith, Plaintiffs' Counsel and Defendants' Counsel are executing a "Supplemental Agreement" setting forth certain conditions under which this Settlement may be

terminated by Defendants if the number of Class Members who exclude themselves from the combined Class by timely filing valid Opt-out Requests exceeds the Opt-out Threshold. The Supplemental Agreement shall not be filed with the Court unless it is ordered by one or both of the Courts or unless a dispute arises with respect to its terms or application. In such event, the parties shall request that a redacted Supplemental Agreement be filed. The Opt-out Threshold may be disclosed to the Courts for purposes of the approval of the Settlement, as may be required by the Courts, but such disclosure shall be carried out to the fullest extent possible in accordance with the practices of the respective Courts so as to maintain the Opt-out Threshold as confidential. In the event of a termination of this Settlement pursuant to the Supplemental Agreement, this Stipulation shall become null and void and of no further force and effect, with the exception of the provisions of ¶¶ 1, 10, 16, 35, 38, 43 and 44 which shall continue to apply.

#### **EFFECTIVE DATE OF SETTLEMENT, WAIVER OR TERMINATION**

39. The “Effective Date” of Settlement shall be the date when all of the following conditions of settlement shall have occurred:

(a) approval by the U.S. Court of the Settlement, following notice to the U.S. Class and a hearing, as prescribed by Rule 23 of the (United States) Federal Rules of Civil Procedure;

(b) the issuance and entry by the U.S. Court of a Judgment, substantially in the form set forth in Exhibit “D” hereto, which has become Final;

(c) approval of the Settlement by the Ontario Court in the Canadian Actions, following notice to the Canadian Class and a hearing pursuant to the Ontario *Class Proceedings Act, 1992*;

(d) the issuance and entry by the Ontario Court of a Judgment, substantially in the form set forth in Exhibit “B” annexed hereto, which has become Final;

(e) the expiry of time under the terms of the Supplemental Agreement for Canadian Superior to elect to terminate the Settlement and this Stipulation as provided for under the Supplemental Agreement and ¶41 herein; and

(f) the expiry of time under the terms of this Stipulation to terminate the Settlement as provided for in ¶40 herein.

40. U.S. Lead Plaintiff, the Canadian Representative Plaintiffs and Defendants shall each have the right to terminate the Settlement and thereby this Stipulation by providing written notice of their or its election to do so to one another (by means of delivery by facsimile to Plaintiffs’ Counsel and Defendants’ Counsel) within thirty (30) calendar days of any of the following: (a) any one of the Courts refusing to issue the U.S. Pre-Approval Order or the Canadian Pre-Approval Order, as the case may be, in any material respect as set forth in Exhibits “A” and “C” hereto; (b) any one of the Courts refusing to approve this Settlement as set forth in this Stipulation for one or more of the Actions; (c) any one of the Courts refusing to issue the Canadian Judgment or the U.S. Judgment, as the case may be, in any material respect as set forth in Exhibits “B” and “D”; or (d) the date upon which a judgment is modified or reversed in any material respect by any level of appellate court. For purposes of this section of the Stipulation, no order of any of the Courts, or modification or reversal on appeal of any order of any of the Courts solely concerning the Plan of Allocation, the administration of the Settlement, or the Persons performing such administrative functions, or the amount, advancement, or award of any fees or expenses awarded by any of the Courts to any of the plaintiff’s counsel, including attorneys’ fees and expenses, shall constitute grounds for termination of the Stipulation.

41. Notwithstanding anything else in this Stipulation, Defendants may (but only unanimously), in accordance with the terms set forth in the Supplemental Agreement elect in writing to terminate the Settlement and this Stipulation if the Opt-out Threshold is exceeded or as otherwise provided in the Supplemental Agreement.

42. Notwithstanding anything else in this Stipulation, the U.S. Lead Plaintiff and the Canadian Representative Plaintiffs may jointly elect in writing to terminate the Settlement and this Stipulation if the Gross Settlement Fund is not timely paid to the Escrow Agent Account.

43. Except as otherwise provided herein, in the event that the Settlement is terminated, the parties to this Stipulation shall be deemed to have reverted to their respective status in the Actions immediately prior to the execution of this Stipulation and, except as otherwise expressly provided, the parties shall proceed in all respects as if this Stipulation and any related orders and judgments had not been entered.

#### **NO ADMISSION OF WRONGDOING**

44. This Stipulation shall be construed solely as a reflection of the parties' desire to facilitate a resolution of the claims in these Actions. The parties agree that no party was or is a prevailing party in the Actions. This Stipulation, whether or not consummated, and any proceedings taken pursuant to it:

(a) shall not be offered or received against any or all of the Defendants as evidence of, or construed or deemed to be evidence of, any presumption, concession, or admission by any of those Defendants with respect to the truth of any fact alleged by any of the plaintiffs or the validity of any claim that has been or could have been asserted in the Actions or in any litigation, or the deficiency of any defense that has been or could have been asserted in the Actions or in any litigation, or of any liability, negligence, fault, or wrongdoing of the Defendants;

(b) shall not be offered or received against the Defendants as evidence of a presumption, concession or admission of any fault, misrepresentation or omission with respect to any statement or written document approved or made by any or all of the Released Parties;

(c) shall not be offered or received against the Defendants as evidence of a presumption, concession or admission with respect to any liability, negligence, fault or wrongdoing or in any way referred to for any other reason as against any of the Defendants, in any civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of this Stipulation; provided, however, that if this Stipulation is approved by the Courts, Defendants may refer to it to effectuate the liability protection granted them hereunder;

(d) shall not be construed against any of the Defendants as an admission or concession that the consideration to be given hereunder represents the amount that could be or would have been recovered after trial;

(e) shall not be construed or received in evidence as an admission, concession or presumption against U.S. Lead Plaintiff, Canadian Representative Plaintiffs or any of the Class Members that any of their claims are without merit, or that any defenses asserted by the Defendants have any merit, or that damages recoverable under the Actions would not have exceeded the Gross Settlement Fund; and

(f) shall not be construed or received in evidence as an act of attornment to the jurisdiction of any court by U.S. Lead Plaintiff or Canadian Representative Plaintiffs or the Defendants by reason of their participation or the participation of their respective counsel in proceedings taken pursuant to the Stipulation to approve the Settlement.

## MISCELLANEOUS PROVISIONS

45. The parties to this Stipulation intend the Settlement to be a final and complete resolution of all disputes asserted or which could be asserted by the U.S. Lead Plaintiff, Canadian Representative Plaintiffs, and Class Members against the Released Parties with respect to the Settled Claims. Accordingly, U.S. Lead Plaintiff, Canadian Representative Plaintiffs and the Defendants agree not to assert in any forum that the Actions were brought by the plaintiffs or defended by Defendants in those actions in bad faith or without a reasonable basis. The parties hereto shall assert no claims of any violation of Rule 11 of the (United States) Federal Rules of Civil Procedure relating to the prosecution, defense or settlement of the Actions. The parties agree that the amount paid and the other terms of the Settlement were negotiated at arm's length in good faith by the parties, and reflect a settlement that was reached voluntarily after consultation with experienced and independent legal counsel. The U.S. Judgment will contain a finding that the parties to the U.S. Action complied with the requirements of Rule 11 of the (United States) Federal Rules of Civil Procedure.

46. Neither the U.S. Lead Plaintiff, the Canadian Plaintiffs, nor any Class Members recognize any infirmity in the claims asserted in the Actions or any other action. Nonetheless, they recognize the expense and length of continued proceedings necessary to prosecute the Actions through trial and appeals, and also have taken into account the uncertain outcome and risk of any litigation, especially in complex actions such as the Actions, as well as the delays inherent in such litigation. They are further mindful of the inherent problems of proof under, and defenses to, the securities law, oppression, common law and other violations asserted in the Actions, and believe that the Settlement provided for in this Stipulation confers substantial benefits upon the Class. U.S. Lead Plaintiff and the Canadian Representative Plaintiffs and Plaintiffs' Counsel have determined that the Settlement is fair, reasonable, adequate, and in the best interests of the Class.

47. Defendants have vigorously denied, and continue to deny any wrongdoing and liability whatsoever and each and all claims and contentions alleged in the Actions and deny that the U.S. Lead Plaintiff, the Canadian Representative Plaintiffs and members of the Class have suffered any damages, loss, or harm whatsoever by reason of any conduct or omission of the Defendants. Defendants state they are agreeing to this Settlement solely because it will eliminate the substantial burden, expense and uncertainties of further litigation and the concomitant distraction of resources and efforts from their businesses.

48. U.S. Lead Plaintiff, Canadian Representative Plaintiffs, and the Defendants agree to cooperate fully with one another in seeking the Courts' approval of the Settlement and the orders and judgments referred to in this Stipulation concerning notice and approval of the Settlement, and to agree promptly upon and execute all such other documentation as may be reasonably required to obtain final approval by the Courts of the Settlement.

49. The administration and consummation of the Settlement as embodied in this Stipulation as it pertains to U.S. Class Members shall be under the authority of the U.S. Court and it shall retain jurisdiction for the purpose of entering orders providing for awards of attorneys' fees and expenses to U.S. Lead Plaintiff's Counsel and enforcing the terms of this Stipulation as it relates to U.S. Class Members. The administration and consummation of the Settlement as embodied in this Stipulation as it pertains to Canadian Class Members shall be under the authority of the Ontario Court and it shall retain jurisdiction for the purpose of entering orders providing for counsel fees and expenses to Canadian Class Counsel and enforcing the terms of this Stipulation as it relates to Canadian Class Members.

50. All of the Exhibits attached hereto are hereby incorporated by reference as though fully set forth herein.

51. The headings herein are used for the purpose of convenience only and are not meant to have legal effect.

52. This Stipulation may not be modified or amended, nor may any of its provisions be waived, except by a writing signed by all parties hereto or their successors-in-interest.

53. The waiver by one party of any breach of this Stipulation by any other party shall not be deemed a waiver of any other prior or subsequent breach of this Stipulation or a waiver by any other party.

54. This Stipulation shall be binding upon, and inure to the benefit of, the successors, heirs, executors, administrators, trustees and assigns of the parties hereto and, upon the Effective Date, members of the U.S. Class and the Canadian Class and their respective successors, heirs, beneficiaries, current and former plan members and contributors, executors, administrators, trustees and assigns.

55. The construction and interpretation of this Stipulation and the Supplemental Agreement shall be governed by the laws of the State of New York (in the case of the U.S. Class), and the Province of Ontario (in the case of the Canadian Class), each without regard to conflicts of laws, except to the extent that federal law of Canada requires that federal law governs, in which case the laws of Canada shall apply.

56. This Stipulation shall not be construed more strictly against one party than another merely by virtue of the fact that it, or any part of it, may have been prepared by counsel for one of the parties, it being recognized that it is the result of arm's-length negotiations between the parties and that all parties have contributed substantially and materially to the preparation of this Stipulation.

57. This Stipulation, its Exhibits and the Supplemental Agreement constitute the entire agreement concerning the Settlement of the Actions, and no representations, warranties or inducements have been made by any party hereto concerning this Stipulation, its Exhibits and/or the Supplemental Agreement other than those contained and memorialized in such documents.

58. All counsel and any other person executing this Stipulation and any of the Exhibits hereto, or any related settlement documents, warrant and represent that they have the full authority to do so and that they have the authority to take appropriate action required or permitted to be taken pursuant to the Stipulation to effectuate its terms.

59. This Stipulation may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument.

60. This Stipulation shall be prepared and executed only in the English language and shall not be translated.

**IN WITNESS WHEREOF**, the parties hereto have caused this Stipulation to be executed, by their duly authorized counsel, dated June 9, 2011.

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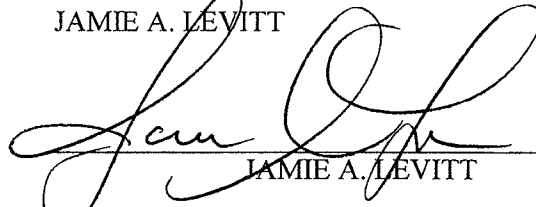
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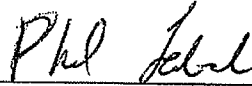
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Corp., Challenger Energy Corp., Craig McKenzie,  
Leif Snethun and Robb D. Thompson

## EXHIBIT A

EXHIBIT "A"  
CANADIAN PRE-APPROVAL ORDER

Court File No.: 1626CP

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

B E T W E E N

DOUGLAS DEVLIN and PATHWAY MULTI SERIES FUND INC.

Plaintiffs

- and -

GREG S. NOVAL, LEIGH BILTON, MICHAEL E. COOLEN,  
CHARLES DALLAS, THOMAS J. HARP, CRAIG MCKENZIE, ALEXANDER SQUIRES,  
ROBB D. THOMPSON, RICHARD WATKINS, LEIF SNETHUN,  
SONDE RESOURCES CORP. (f.k.a. CANADIAN SUPERIOR ENERGY INC.) and  
CHALLENGER ENERGY CORP.

Defendants

Proceeding under the *Class Proceedings Act, 1992*

-----  
Court File No.: 1358/10CP

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

B E T W E E N

DOUGLAS DEVLIN

Plaintiffs

- and -

GREG S. NOVAL, LEIGH BILTON, MICHAEL E. COOLEN,  
CHARLES DALLAS, THOMAS J. HARP, CRAIG MCKENZIE, ALEXANDER SQUIRES,  
ROBB D. THOMPSON, RICHARD WATKINS, LEIF SNETHUN,  
CANADIAN SUPERIOR ENERGY INC. and  
CHALLENGER ENERGY CORP.

Defendants

Proceeding under the *Class Proceedings Act, 1992*  
-----

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

B E T W E E N

ROBERT RAE

Plaintiff

- and -

GREGORY S. NOVAL, CRAIG MCKENZIE,  
MICHAEL E. COOLEN, ROBB THOMPSON and ALEXANDER SQUIRES

Defendants

Proceedings under the *Class Proceedings Act, 1992*

THIS MOTION, made by the Plaintiffs for, *inter alia*, an Order consolidating the within actions, certifying the consolidated action as a class proceeding for the purpose only of settlement, setting a date for a settlement approval hearing, approving the form of notice to Class Members of the certification of the consolidated action as a class proceeding for settlement purposes, the proposed Settlement and of the approval hearing, and approving the method of dissemination of said notice, was heard this day in London, Ontario.

ON READING the materials filed, including the Settlement Agreement dated June 9, 2011 between the parties (the “Stipulation”), and on hearing the submissions of counsel for the Plaintiffs and counsel for the Defendants:

1. THIS COURT DECLARES that except as otherwise stated, this Order incorporates and adopts the definitions set forth in the Stipulation, which is attached hereto as Schedule “A.”
2. THIS COURT ORDERS that the within proceedings be consolidated and proceed as one proceeding (the “Consolidated Proceeding”) under Court File No. 1626CP.
3. THIS COURT ORDERS that the title of proceedings in the Consolidated Proceeding be as follows:

DOUGLAS DEVLIN, PATHWAY MULTI SERIES FUND INC.  
AND ROBERT RAE

Plaintiffs

- and —

GREG S. NOVAL, LEIGH BILTON, MICHAEL E. COOLEN,  
CHARLES DALLAS, THOMAS J. HARP, CRAIG MCKENZIE, ALEXANDER SQUIRES,  
ROBB D. THOMPSON, RICHARD WATKINS, LEIF SNETHUN,  
CANADIAN SUPERIOR ENERGY INC. and  
CHALLENGER ENERGY CORP.

Defendants

*Proceedings under the Class Proceedings Act, 1992*

4. THIS COURT ORDERS that, subject to paragraph 24 herein, the Consolidated Proceeding be, and hereby is, certified as a class proceeding, for purposes of settlement only, pursuant to the Class Proceedings Act, 1992, S.O. 1992, c.6, sections 2 and 5.

5. THIS COURT ORDERS that the “Canadian Class” be, and is, defined and certified as:

All Persons, other than Excluded Persons, who purchased or otherwise acquired Canadian Superior common stock during the Class Period on the Toronto Stock Exchange.

6. THIS COURT DECLARES that the causes of action asserted in the Consolidated Proceeding on behalf of the Canadian Class are negligence, negligent and fraudulent misrepresentation, conspiracy, unjust enrichment and oppression, and subject to leave of the Court, a claim under Part XXIII.1 of the Ontario *Securities* Act.

7. THIS COURT ORDERS that Douglas Devlin, Pathway Multi Series Fund Inc. and Robert Rae be, and are, appointed as the representative plaintiffs for the Canadian Class within the Consolidated Proceeding.

8. THIS COURT ORDERS that the Consolidated Proceeding be, and is, certified for settlement purposes only on the basis of the following common issue:

Were Canadian Superior’s public statements during the Class Period regarding the Victory, Bounty and Endeavor wells on Intrepid Block 5(c) materially false and/or misleading?

9. THIS COURT ORDERS that the hearing of the representative plaintiffs’ motion for settlement approval in the Consolidated Proceeding (the “Settlement Approval Motion”) and of the representative plaintiffs’ motion for approval of the fees of Canadian Class Counsel shall take place on \_\_\_\_\_ at \_\_\_\_\_ a.m./p.m.

10. THIS COURT ORDERS that \_\_\_\_\_ is hereby appointed and approved as Claims Administrator for purposes of the proposed settlement and carrying out the duties assigned to the Claims Administrator under the Stipulation, and shall be subject to the jurisdiction of this Court for all matters relating to the Consolidated Proceeding, including the administration, interpretation, effectuation or enforcement of the Stipulation and this Order.

11. THIS COURT ORDERS that the Escrow Agent, acting in its capacity as escrow agent, shall be subject to the jurisdiction of this Court for all matters relating to the Consolidated Proceeding, including the administration, interpretation, effectuation or enforcement of the Stipulation and this Order.

12. THIS COURT ORDERS that the form and content of the long-form of the Pre-Approval Notice, substantially in the form attached hereto as Schedule “B,” is hereby approved.

13. THIS COURT ORDERS that the long-form of the Pre-Approval Notice shall be disseminated in accordance with the Plan of Notice attached as Exhibit “E” to the Stipulation.

14. THIS COURT ORDERS that the form and content of the short-form of the Pre-Approval Notice, substantially the form attached hereto as Schedule “C” is hereby approved.

15. THIS COURT ORDERS that the short-form of the Pre-Approval Notice shall be published in accordance with the Plan of Notice attached as Exhibit “E” to the Stipulation.

16. THIS COURT ORDERS that Canadian Class Counsel shall, at or before the hearing of the Settlement Approval Motion, file with the Court proof of the dissemination and publication of the long-form and the short-form of the Pre-Approval Notice in accordance with the Plan of Notice.

17. THIS COURT ORDERS that individuals or entities who would otherwise be members of the Canadian Class but who elect to opt out of the Canadian Class must do so by preparing and signing an Opt-out Request which clearly states that the Canadian Class Member

requests exclusion from the Canadian Class, and includes the Canadian Class Member's name, address and telephone number and all of the date(s), price(s), and the number(s) of all of the shares of Canadian Superior common stock they purchased, acquired or sold during the Class Period, supported by broker confirmations or other documentation of the transactions, and by sending his, her or its Opt-out Request and the supporting documentation to the Claims Administrator, at the address indicated in the Pre-Approval Notices, postmarked no later than the Opt-out Deadline, namely, sixty (60) calendar days after the Notice Date. Subject to further order of the Court, no person or entity may opt out of the Canadian Class after the expiry of the Opt-out Deadline.

18. THIS COURT ORDERS that any potential member of the Canadian Class who elects to opt out of the Canadian Class in accordance with paragraph 17 of this Order may not participate in the Settlement, if approved.

19. THIS COURT ORDERS that any Canadian Class Member who does not validly opt out in the manner and time prescribed above shall be deemed to have elected to participate in the Settlement and be bound by the terms of the Stipulation if approved and all related Court Orders, regardless of whether the Canadian Class Member has timely filed a Proof of Claim.

20. THIS COURT ORDERS that the form and content of the Proof of Claim form, substantially in the form attached hereto as Schedule "D," is hereby approved.

21. THIS COURT ORDERS that in order to be entitled to participate in a distribution from the Net Settlement Fund, each member of the Canadian Class shall take the following actions and be subject to the following conditions:

(a) submit a properly executed Proof of Claim to the Claims Administrator, at the address indicated in the Pre-Approval Notices, postmarked no later than the Claims Deadline,

namely, one hundred twenty (120) calendar days after the Notice Date. Such deadline may be further extended by order of this Court;

(b) submit, together with the Proof of Claim, any supporting documentation for the transactions reported therein, in the form of broker confirmation slips, broker account statements, an authorized statement from the broker containing the transactional information found in a broker confirmation slip, or such other documentation as is deemed adequate by the Claims Administrator;

(c) the Proof of Claim must be complete and contain no material deletions or modifications of any of the printed matter contained therein and must be signed under penalty of perjury;

(d) if the person executing the Proof of Claim is acting in a representative capacity, a certification of his, her or its current authority to act on behalf of the Canadian Class Member must be included in the Proof of Claim;

(e) each Proof of Claim shall be deemed to have been submitted when postmarked (if properly addressed and mailed by first class mail, postage prepaid) provided that such Proof of Claim is actually received prior to the distribution of the Net Settlement Fund; and

(f) any Proof of Claim submitted in any other manner shall be deemed to have been submitted when it was actually received at the address designated in the Pre-Approval Notices, provided that such Proof of Claim is actually received prior to the distribution of the Net Settlement Fund.

22. THIS COURT ORDERS that, as part of the Proof of Claim, each Canadian Class Member shall submit to the jurisdiction of this Court with respect to the claim submitted, and shall (subject to the approval of the Settlement by the Courts) release all Settled Claims against the Released Parties.

23. THIS COURT ORDERS that Canadian Class Members who wish to file with the Court an objection or comment to the Settlement or to the approval of Canadian Class Counsel fees shall deliver a written statement to Canadian Class Counsel, at the address indicated in the Pre-Approval Notices, no later than sixty (60) calendar days after the Notice Date, and Canadian Class Counsel shall file all such submissions with the Court prior to the hearing of the Settlement Approval Motion.

24. THIS COURT ORDERS that if the Stipulation is terminated pursuant to any rights of termination therein, then:

(a) this Order (except for paragraphs 1, 10, 11 and 24 herein) shall be set aside, be of no further force or effect, and be without prejudice as to any party;

(b) the Canadian Actions shall be immediately decertified as a class proceeding pursuant to Section 10 of the Class Proceedings Act, 1992, without prejudice to the Plaintiffs' ability to reapply for certification and the Defendants' ability to oppose certification on any and all grounds; and

(c) each party to the Canadian Actions shall be restored to his, her or its respective position in the Consolidated Proceeding as it existed immediately prior to the execution of the Stipulation.

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THE HONOURABLE JUSTICE RADY

## EXHIBIT B

EXHIBIT "B"  
CANADIAN JUDGMENT

Court File No.: 1626CP

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

B E T W E E N

DOUGLAS DEVLIN, PATHWAY MULTI SERIES FUND INC. and ROBERT RAE

Plaintiffs

- and -

GREG S. NOVAL, LEIGH BILTON, MICHAEL E. COOLEN,  
CHARLES DALLAS, THOMAS J. HARP, CRAIG MCKENZIE, ALEXANDER SQUIRES,  
ROBB D. THOMPSON, RICHARD WATKINS, LEIF SNETHUN,  
SONDE RESOURCES CORP. (f.k.a. CANADIAN SUPERIOR ENERGY INC.) and  
CHALLENGER ENERGY CORP.

Defendants

Proceeding under the *Class Proceedings Act, 1992*

## ORDER

THIS MOTION made by the Canadian Representative Plaintiffs for, inter alia, an Order approving and implementing the Settlement Agreement dated June 9, 2011, entered into between the parties to the within proceeding, which resulted from the consolidation of proceedings in this Court under Court File Numbers 1626CP, 1358/10CP and CV-10-14848 by order dated \_\_\_\_\_, 2011, and the parties to a parallel class action proceeding in the United States, *In re Canadian Superior Securities Litigation*, Master File No. 1:09-cv-10087-SAS (the “Stipulation”) was heard this day at London, Ontario.

ON READING the materials filed, including the Stipulation attached hereto as Schedule “A,” and on hearing the submissions of counsel for the Canadian Representative Plaintiffs and counsel for the Defendants.

1. THIS COURT DECLARES that, except as otherwise stated, this Order incorporates and adopts the definitions set forth in the Stipulation.

2. THIS COURT DECLARES that the Settlement provided for in the Stipulation is fair, reasonable and in the best interests of members of the Canadian Class.

3. THIS COURT ORDERS that the Stipulation is hereby approved pursuant to s. 29 of the *Class Proceedings Act, 1992*.

4. THIS COURT ORDERS that the Stipulation forms part of this Order and is binding upon the Canadian Representative Plaintiffs and upon all members of the Canadian Class including those persons who are minors or mentally incapable, and that the requirements of Rules 7.04(1) and 7.08(4) of the *Rules of Civil Procedure* are disposed of in respect of the within action, and the Stipulation shall be implemented in accordance with its terms.

5. THIS COURT ORDERS AND DECLARES that sections 3 to 7 of the Stipulation are incorporated by reference into and form part of this Order, and shall operate in accordance with their terms.

6. THIS COURT ORDERS that neither this Order, the Stipulation, nor any of their terms and provisions, nor any of the negotiations or proceedings connected with the Stipulation, nor any of the documents or statements referred to therein shall be:

(a) offered or received against the Released Parties as evidence of or construed as or deemed to be evidence of any presumption, concession or admission by any of the Defendants with respect to the truth of any fact alleged in the Statement of Claim or the validity of any claim that has been or could have been asserted in the Canadian Actions or in any litigation, or the deficiency of any defense that has been or could have been asserted in the Canadian Actions, or in any litigation, or of any liability, negligence, fault, or wrongdoing of the Released Parties;

(b) offered or received against the Released Parties as evidence of a presumption, concession or admission of any fault, misrepresentation or omission with respect to any statement or written document approved or made by any of the Released Parties;

(c) offered or received against the Released Parties as evidence of a presumption, concession or admission with respect to any liability, negligence, fault or wrongdoing or in any way referred to for any other reason as against any of the Released Parties, in any other civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to enforce and give effect to the provisions of the Stipulation; provided, however, that the Released Parties may refer to it to effect the release and liability protection granted them hereunder;

(d) construed against the Released Parties as an admission or concession that the consideration to be given hereunder represents the amount which could be or would have been recovered after trial; or

(e) construed as or received in evidence as an admission, concession or presumption against the Canadian Representative Plaintiffs or any member of the Canadian Class that any of their claims are without merit, or that any defenses asserted by the Defendants have any merit, or that damages recoverable under the Statement of Claim would not have exceeded the amounts set forth under the Stipulation.

7. THIS COURT DECLARES that the Plan of Allocation, outlined commencing at page \_\_\_\_\_ of the long-form of the Pre-Approval Notice, attached hereto as Schedule “B”, is approved as fair and reasonable.

8. THIS COURT ORDERS AND ADJUDGES that any appeal or challenge limited to the fairness and reasonableness of the Plan of Allocation shall in no way disturb or affect the balance of this Order and shall be deemed to be separate and apart from the balance of this Order.

9. THIS COURT ORDERS that this Court shall retain jurisdiction over the parties herein, the members of the Canadian Class, the Claims Administrator and the Escrow Agent for all matters relating to the within action and the Canadian Class, including the administration, interpretation, effectuation or enforcement of the Stipulation and this Order, and including any application for fees and expenses incurred by or paid to Canadian Class Counsel and the Claims Administrator in overseeing and administering the Settlement, in distributing settlement proceeds to members of the Canadian Class, and in complying with the terms of this Order.

10. THIS COURT ORDERS that, on notice to the Court but without further order of the Court, the parties to the Stipulation may agree to reasonable extensions of time to carry out any of the provisions of the Stipulation.

11. THIS COURT ORDERS AND DECLARES that the Released Parties have no responsibility for and no liability whatsoever with respect to the administration of the Settlement.

12. THIS COURT ORDERS that if the Stipulation is terminated pursuant to any rights of termination therein, then:

(a) this Order (except for paragraphs 1, 6, 9, 11 and 12 herein) shall be set aside, be of no further force or effect, and be without prejudice to any party;

(b) the within action shall be immediately decertified as a class proceeding pursuant to section 10 of the *Class Proceedings Act, 1992*, without prejudice to the Canadian Representative Plaintiffs' ability to reapply for certification and the Defendants' ability to oppose certification on any and all grounds; and

(c) each party to the Canadian Actions shall be restored to his, her or its respective position in the Canadian Actions as it existed immediately prior to the execution of the Stipulation.

13. THIS COURT ORDERS AND ADJUDGES that, upon the Effective Date, the within action shall be and is hereby dismissed against the Defendants with prejudice and without costs.

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THE HONOURABLE JUSTICE RADY

## EXHIBIT C

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

<hr/>	X	
In re CANADIAN SUPERIOR SECURITIES	:	Master File No. 1:09-cv-10087-SAS
LITIGATION	:	
<hr/>	:	<u>CLASS ACTION</u>
	:	
This Document Relates To:	:	PRELIMINARY ORDER FOR NOTICE
	:	AND HEARINGS IN CONNECTION WITH
ALL ACTIONS.	:	SETTLEMENT PROCEEDINGS
<hr/>	X	
		EXHIBIT C

WHEREAS, on June 9, 2011, the parties to the above-entitled action (the “U.S. Action”) entered into an Settlement Agreement (the “Stipulation”), which is subject to review under Rule 23 of the Federal Rules of Civil Procedure and which, together with the Exhibits thereto, sets forth the terms and conditions for the proposed Settlement of the claims alleged in the Complaint on the merits and with prejudice; and the Court having read and considered the Stipulation and the accompanying documents; and the parties to the Stipulation having consented to the entry of this Order, and all capitalized terms used, but not otherwise defined, herein having the meanings defined in the Stipulation;<sup>1</sup> and

WHEREAS, it is a condition to the effectiveness of the proposed Settlement that the Canadian putative class proceeding identified in the Stipulation (the “Canadian Class Action”) be also settled and dismissed with prejudice and the Settlement be approved by the Ontario Superior Court of Justice before which the Canadian Class Action is pending.

NOW THEREFORE, IT IS HEREBY ORDERED, this \_\_\_ day of \_\_\_\_\_, 2011, that:

1. The Court does hereby preliminarily approve the Stipulation and the Settlement set forth therein as being fair, reasonable and adequate to U.S. Class Members (defined in ¶2 below), subject to further consideration at the Settlement Fairness Hearing described in ¶5 below.

2. Pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure, and for the purposes of the Settlement only, this U.S. Action is hereby certified as a class action on behalf of all Persons who purchased or otherwise acquired Canadian Superior common stock during the period between January 14, 2008 and February 17, 2009, inclusive (the “Class Period”), other than

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<sup>1</sup> The Stipulation and Exhibits attached thereto are incorporated herein as though set forth in this Order.

members of the Canadian Class and Excluded Persons (the “U.S. Class” or “U.S. Class Members”). Included within the definition of Excluded Persons and excluded from the U.S. Class are any putative U.S. Class Members who exclude themselves by filing a timely and valid request for exclusion in accordance with the requirements set forth in the Notice (defined in ¶7 below).

3. The Court finds, for the purposes of the Settlement only, that the prerequisites for a class action under Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure have been satisfied in that: (a) the number of U.S. Class Members is so numerous that joinder of all members thereof is impracticable; (b) there are questions of law and fact common to the U.S. Class; (c) the claims of the named representative is typical of the claims of the U.S. Class he seeks to represent; (d) the U.S. Lead Plaintiff will fairly and adequately represent the interests of the U.S. Class; (e) the questions of law and fact common to the members of the U.S. Class predominate over any questions affecting only individual U.S. Class Members; and (f) a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

4. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, and for the purposes of the Settlement only, U.S. Lead Plaintiff Gino Ströker is certified as the Class Representative.

5. A hearing (the “Settlement Fairness Hearing”) pursuant to Rule 23(e) of the Federal Rules of Civil Procedure is hereby scheduled to be held before the Court on \_\_\_\_\_, 2011, at \_\_\_\_:\_\_\_\_, \_\_.m. for the following purposes:

(a) to finally determine whether this U.S. Action satisfies the applicable prerequisites for class action treatment under Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure;

(b) to determine whether the proposed Settlement is fair, reasonable and adequate to U.S. Class Members, and should be approved by the Court;

(c) to determine whether the Judgment as provided under the Stipulation should be entered, dismissing the Complaint filed herein, on the merits and with prejudice, and to determine whether the release by the U.S. Class of the Settled Claims, as set forth in the Stipulation, should be provided to the Released Parties;

(d) to determine whether the proposed Plan of Allocation of the proceeds of the Settlement is fair and reasonable, and should be approved by the Court;

(e) to consider U.S. Lead Plaintiff's Counsel's application for an award of attorneys' fees and expenses to U.S. Lead Plaintiff's Counsel; and

(f) to rule upon such other matters as the Court may deem appropriate.

6. The Court reserves the right to approve the Settlement with or without modification as may be agreed to by the parties and with or without further notice of any kind. The Court further reserves the right to enter its Judgment approving the Settlement and dismissing the Complaint on the merits and with prejudice regardless of whether it has approved the Plan of Allocation or awarded attorneys' fees and expenses.

7. The Court approves the form, substance and requirements of: the Notice of Pendency and Certification of Class Actions, Proposed Settlement and Settlement Approval/Fairness Hearings (the "Notice"); the Proof of Claim form, and the Summary Notice of Pendency and Certification of Class Actions, Proposed Settlement and Settlement Approval/Fairness Hearings (the "Summary Notice"), annexed hereto as Tabs 1, 2 and 3, respectively, and finds that the form, content, and mailing and distribution of the Notice and publishing of the Summary Notice substantially in the manner and form set forth in ¶¶9 and 12 of this Order meet the requirements of Rule 23 of the Federal Rules of Civil Procedure, Section 21D(a)(7) of the Securities Exchange Act of 1934, as amended, 15 U.S.C. §78u-4(a)(7), including the Private Securities Litigation Reform Act of 1995

(the “PSLRA”), Rule 23.1 of the Local Rules of the Southern and Eastern Districts of New York, and due process, and is the best notice practicable under the circumstances and shall constitute due and sufficient notice to all persons and entities entitled thereto.

8. The Court approves the appointment of Gilardi & Co. LLC as the Claims Administrator.

9. Within fourteen (14) calendar days of the later of the entry of this Order and the issuance of the Canadian Pre-Approval Order by the Ontario Superior Court of Justice (the “Notice Date”), the Claims Administrator shall cause the Notice and the Proof of Claim, substantially in the forms annexed hereto as Tabs 1 and 2, to be disseminated in accordance with the Plan of Notice attached as Exhibit “E” to the Stipulation. Canadian Superior shall cooperate in making Canadian Superior’s transfer records concerning existing information it has about the identity and last known address of U.S. Class Members during the Class Period available to the Claims Administrator before the later of five (5) business days following entry of this Order or twenty-one (21) calendar days following execution of the Stipulation for the purpose of identifying and giving notice to the U.S. Class, which information the Claims Administrator shall treat as confidential and take all necessary steps to maintain the confidentiality of such information. The Claims Administrator shall use reasonable efforts to give notice to nominee purchasers such as brokerage firms and other persons or entities who purchased Canadian Superior common stock during the Class Period as record owners but not as beneficial owners. Such nominee purchasers are directed, within seven (7) business days of their receipt of the Notice and Proof of Claim, to either forward copies of the Notice and Proof of Claim to their beneficial owners or to provide the Claims Administrator with lists of the names and addresses of the beneficial owners, and the Claims Administrator is ordered to send the Notice and Proof of Claim promptly to such identified beneficial owners. Nominee purchasers who elect to

send the Notice and Proof of Claim to their beneficial owners shall send a statement to the Claims Administrator confirming that the mailing was made as directed. Additional copies of the Notice and Proof of Claim shall be made available to any record holder requesting such for the purpose of distribution to beneficial owners, and such record holders shall be reimbursed from the Gross Settlement Fund, upon receipt by the Claims Administrator of proper documentation, for the reasonable expense of sending the Notice and Proof of Claim to beneficial owners. U.S. Lead Plaintiff's Counsel shall, at least seven (7) calendar days prior to the Settlement Fairness Hearing, file with the Court proof of mailing of the Notice and Proof of Claim.

10. The Escrow Agent or its agents are authorized and directed to prepare any tax returns required to be filed on behalf of or in respect of the Gross Settlement Fund and to cause any Taxes due and owing to be paid from the Gross Settlement Fund, and to otherwise perform all obligations with respect to Taxes and any reporting or filings in respect thereof as contemplated by the Stipulation without further order of the Court.

11. U.S. Lead Plaintiff's Counsel shall submit their papers in support of final approval of the Settlement and application for attorneys' fees and expenses by no later than \_\_\_\_\_, 2011. All reply papers in support of such motions shall be filed and served by no later than \_\_\_\_\_, 2011.

12. The Claims Administrator shall cause the Summary Notice to be published in the national edition of *Investor's Business Daily* and across *Business Wire*, and in the English language only in *The Financial Times* (United Kingdom) within seven (7) calendar days of Notice Date. U.S. Lead Plaintiff's Counsel shall, at least seven (7) calendar days prior to the Settlement Fairness Hearing, file with the Court proof of the publication of the Summary Notice.

13. In order to be entitled to participate in the Net Settlement Fund, in the event the Settlement is effected in accordance with the terms and conditions set forth in the Stipulation, each U.S. Class Member shall take the following actions and be subject to the following conditions:

(a) A properly executed Proof of Claim (the "Proof of Claim"), substantially in the form annexed hereto as Tab 2, must be submitted to the Claims Administrator, at the Post Office Box indicated in the Notice, postmarked not later than one hundred and twenty (120) calendar days from the Notice Date. Such deadline may be further extended by Court order. Each Proof of Claim shall be deemed to have been submitted when postmarked (if properly addressed and mailed by first-class mail, postage prepaid). Any Proof of Claim submitted in any other manner shall be deemed to have been submitted when it was actually received at the address designated in the Notice. U.S. Lead Plaintiff's Counsel may direct the Claims Administrator to accept late claims if it will not materially delay distribution of the Net Settlement Fund.

(b) The Proof of Claim submitted by each U.S. Class Member must satisfy the following conditions: (i) it must be properly completed, signed and submitted in a timely manner in accordance with the provisions of the preceding subparagraph; (ii) it must be accompanied by adequate supporting documentation for the transactions reported therein, in the form of broker confirmation slips, broker account statements, an authorized statement from the broker containing the transactional information found in a broker confirmation slip, or such other documentation as is deemed adequate by the Claims Administrator; (iii) if the person executing the Proof of Claim is acting in a representative capacity, a certification of his current authority to act on behalf of the U.S. Class Member must be included in the Proof of Claim; and (iv) the Proof of Claim must be complete and contain no material deletions or modifications of any of the printed matter contained therein and must be signed under penalty of perjury.

(c) As part of the Proof of Claim, each U.S. Class Member shall submit to the jurisdiction of this Court solely with respect to the claim submitted and shall (subject to effectuation of the Settlement) release all Settled Claims as against the Released Parties provided in the Stipulation.

14. U.S. Class Members shall be bound by all determinations and judgments in the U.S. Action, whether favorable or unfavorable, unless such persons request exclusion from the U.S. Class in a timely and proper manner, as hereinafter provided. A putative U.S. Class Member wishing to make such request shall mail the request to the Claims Administrator by first-class mail postmarked no later than sixty (60) calendar days after the Notice Date to the address designated in the Notice. Such request for exclusion shall clearly indicate the name, address and telephone number of the person seeking exclusion, that the sender requests to be excluded from the U.S. Class, and must be signed by such person. Such persons requesting exclusion are also directed to state: the date(s), price(s) and number(s) of shares of Canadian Superior common stock they purchased, acquired or sold during the Class Period. The request for exclusion shall not be effective unless it provides the required information and is made within the time stated above, or the exclusion request is otherwise accepted by the Court. Putative U.S. Class Members requesting exclusion from the U.S. Class shall not be entitled to receive any payment out of the Net Settlement Fund as described in the Stipulation and Notice.

15. All U.S. Class Members shall be bound by all determinations and judgments in the U.S. Action concerning the Settlement, including, but not limited to, the release provided for therein, whether favorable or unfavorable to the U.S. Class.

16. Objections to the Settlement, the Plan of Allocation, or the application by U.S. Lead Plaintiff's Counsel for an award of attorneys' fees and expenses and any supporting papers shall be

filed with the Court on or before sixty (60) calendar days after the Notice Date, and also delivered to U.S. Lead Plaintiff's Counsel and Defendants' Counsel by that same date at the addresses identified in the Notice. Attendance at the hearing is not necessary; however, any persons wishing to be heard orally in opposition to the approval of the Settlement, the Plan of Allocation, and/or the request by U.S. Lead Plaintiff's Counsel for attorneys' fees and expenses are required to indicate in their written objection their intention to appear at the hearing. U.S. Class Members do not need to appear at the hearing or take any other action to indicate their approval.

17. Any U.S. Class Member who does not object to the Settlement and/or the Plan of Allocation, and any U.S. Class Member who does not object to U.S. Lead Plaintiff's Counsel's application for an award of attorneys' fees and expenses in the manner prescribed in the Notice shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness, adequacy or reasonableness of the proposed Settlement, this Order and the Final Judgment to be entered approving the Settlement, the Plan of Allocation and/or the application by U.S. Lead Plaintiff's Counsel for an award of attorneys' fees and expenses.

18. Pending final determination of whether the Settlement should be approved, the U.S. Lead Plaintiff, all U.S. Class Members, and each of them, and anyone who acts or purports to act on their behalf, shall not institute, commence or prosecute any action that asserts Settled Claims against any Released Party. The foregoing shall not be interpreted to apply to proceedings in respect of the seeking of approval of the Settlement in the Ontario Superior Court of Justice.

19. Any U.S. Class Member may enter an appearance in the U.S. Action, at their own expense, individually or through counsel of their own choice. If they do not enter an appearance, they will be represented by U.S. Lead Plaintiff's Counsel.

20. All proceedings in the U.S. Action are stayed until further order of this Court, except as may be necessary to implement the Settlement or comply with the terms of the Stipulation. Pending final determination of whether the Settlement should be approved, neither the U.S. Lead Plaintiff nor any U.S. Class Member, either directly, representatively, or in any other capacity shall commence or prosecute against any of the Released Parties any action or proceeding in any court or tribunal asserting any of the Settled Claims.

21. The passage of title and ownership of the Gross Settlement Fund to the Escrow Agent in accordance with the terms and obligations of the Stipulation is approved. No person who is not a U.S. Class Member, U.S. Lead Plaintiff's Counsel, Canadian Class Member or Canadian Class Counsel shall have any right to any portion of, or in the distribution of, the Gross Settlement Fund unless otherwise ordered by the Courts or otherwise provided in the Stipulation.

22. All funds held by the Escrow Agent shall remain subject to the jurisdiction of the Courts until such time as such funds shall be distributed pursuant to the Stipulation, the Plan of Allocation and/or further orders of the Courts.

23. As provided in the Stipulation, the Escrow Agent may pay the Claims Administrator out of the Gross Settlement Fund the reasonable fees and costs associated with giving notice to the Class, the review of claims and the administration of the Settlement without further order of the Court. In the event the Settlement is not approved by the Courts, or otherwise fails to become effective, neither the U.S. Lead Plaintiff nor U.S. Lead Plaintiff's Counsel shall have any obligation to repay to Defendants the reasonable and actual costs of class notice and administrations.

24. If (a) the Settlement is terminated by Defendants pursuant to ¶41 of the Stipulation; or (b) any specified condition to the Settlement set forth in the Stipulation is not satisfied and U.S. Lead Plaintiff's Counsel, Canadian Representative Plaintiffs' Counsel or Defendants elect to terminate the

Settlement as provided in ¶40 of the Stipulation, then, in any such event, the terms of ¶¶43 and 44 of the Stipulation shall apply, and this Order certifying the U.S. Class and the Class Representative for purposes of the Settlement shall be null and void, of no further force or effect, and without prejudice to any party, and may not be introduced as evidence or referred to in any actions or proceedings by any person or entity, and each party shall be restored to his, her or its respective position as it existed immediately prior to the execution of the Stipulation.

25. The Court retains jurisdiction over the U.S. Action to consider all further matters arising out of or connected with the Settlement.

Dated: \_\_\_\_\_, 2011

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THE HONORABLE SHIRA A. SCHEINDLIN  
UNITED STATES DISTRICT JUDGE

## EXHIBIT D

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

<hr/>	X	
In re CANADIAN SUPERIOR SECURITIES	:	Master File No. 1:09-cv-10087-SAS
LITIGATION	:	
<hr/>	:	<u>CLASS ACTION</u>
This Document Relates To:	:	
	:	ORDER AND FINAL JUDGMENT
ALL ACTIONS.	:	
<hr/>	:	EXHIBIT D
	X	

On the \_\_\_\_ day of \_\_\_\_\_, 2011, a hearing having been held before this Court to determine: (1) whether the terms and conditions of the Settlement Agreement dated June 9, 2011 (the “Stipulation”) are fair, reasonable and adequate for the settlement of all claims asserted by the U.S. Class against the defendants in the Complaint now pending in this Court under the above caption (the “U.S. Action”), including the release of the Released Parties, and should be approved;<sup>1</sup> (2) whether judgment should be entered dismissing the Complaint on the merits and with prejudice in favor of the defendants herein and as against all persons or entities who are members of the U.S. Class herein who have not timely and validly requested exclusion therefrom; (3) whether to approve the Plan of Allocation as a fair and reasonable method to allocate the settlement proceeds among the members of the U.S. Class; and (4) whether and in what amount to award U.S. Lead Plaintiff’s Counsel fees and expenses. The Court having considered all matters submitted to it at the hearing and otherwise; and it appearing that a notice of the hearing substantially in the form approved by the Court was mailed to all individuals and entities, reasonably identifiable, who purchased or otherwise acquired Canadian Superior common stock during the period between January 14, 2008 and February 17, 2009, inclusive (the “Class Period”), other than members of the Canadian Class and Excluded Persons, as shown by the records of Canadian Superior’s transfer agent and the records compiled by the Claims Administrator in connection with its mailing of the Notice, at the respective addresses set forth in such records, and that a summary notice of the hearing substantially in the form approved by the Court was published pursuant to the U.S. Pre-Approval Order as set forth in the Declaration of \_\_\_\_\_; and the Court having considered and determined the fairness

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<sup>1</sup> The Stipulation and Exhibits attached thereto are incorporated herein as though set forth in this Judgment.

and reasonableness of the award of attorneys' fees and expenses requested by U.S. Lead Plaintiff's Counsel; and all capitalized terms used herein having the meanings set forth and defined in the Stipulation.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Court has jurisdiction over the subject matter of the U.S. Action, the U.S. Lead Plaintiff, all U.S. Class Members, and defendants named in the U.S. Action.

2. For purposes of settlement only, the Court finds that the prerequisites for a class action under Federal Rule of Civil Procedure 23(a) and (b)(3) have been satisfied in that: (a) the number of U.S. Class Members is so numerous that joinder of all members thereof is impracticable; (b) there are questions of law and fact common to the U.S. Class; (c) the claims of the U.S. Lead Plaintiff are typical of the claims of the U.S. Class he seeks to represent; (d) the U.S. Lead Plaintiff has and will fairly and adequately represent the interests of the U.S. Class; (e) the questions of law and fact common to the members of the U.S. Class predominate over any questions affecting only individual U.S. Class Members; and (f) a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

3. Pursuant to Rule 23 of the Federal Rules of Civil Procedure and for purposes of the Settlement only, this Court hereby finally certifies the U.S. Action as a class action on behalf of all individuals and entities who purchased or otherwise acquired Canadian Superior common stock between January 14, 2008 and February 17, 2009, inclusive, other than members of the Canadian Class and Excluded Persons. Included within the definition of Excluded Persons and excluded from the U.S. Class are the individuals and/or entities who have requested exclusion from the U.S. Class by filing a timely and valid request for exclusion as listed on Exhibit 1 annexed hereto.

4. Notice of the pendency of the U.S. Action as a class action and of the proposed Settlement was given to all U.S. Class Members who could be identified with reasonable effort. The form and method of notifying the U.S. Class of the pendency of the U.S. Action as a class action and of the terms and conditions of the proposed Settlement met the requirements of Rule 23 of the Federal Rules of Civil Procedure, Section 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. §78u-4(a)(7), as amended by the Private Securities Litigation Reform Act of 1995 (the “PSLRA”), Rule 23.1 of the Local Rules of the Southern and Eastern Districts of New York, due process, and any other applicable law, constituted the best notice practicable under the circumstances, and constituted due and sufficient notice to all individuals and entities entitled thereto.

5. The Settlement is approved as fair, reasonable and adequate, and in the best interests of the U.S. Class. Subject to the terms and provisions of the Stipulation and the conditions therein being satisfied, the parties are directed to consummate the Settlement.

6. The U.S. Action is hereby dismissed in its entirety with prejudice and without costs.

7. U.S. Lead Plaintiff and each U.S. Class Member, whether or not such U.S. Class Member executes and delivers a Proof of Claim, on behalf of themselves, their personal representatives, agents, heirs, executors, administrators, trustees, beneficiaries, current and former plan members and contributors, successors, assigns, and any person they represent in relation to Canadian Superior common stock purchased or otherwise acquired during the Class Period or in relation to the Settled Claims (all of the foregoing persons and entities are collectively referred to as the “U.S. Class Releasers”), are hereby permanently barred and enjoined from instituting, commencing or prosecuting any Settled Claims against any of the Released Parties.

8. Upon the Effective Date, the U.S. Class Releasors have fully, finally, and forever released, relinquished, and discharged all Settled Claims against the Released Parties, and the U.S. Class Releasors are bound by this Judgment including, without limitation, the release of claims as set forth in the Stipulation. The Settled Claims are hereby compromised, settled, released, discharged, and dismissed as against the Released Parties on the merits and with prejudice by virtue of the proceedings herein and this Order and Final Judgment.

9. Upon the Effective Date, the Defendants and the successors and assigns of any of them, are hereby permanently barred and enjoined from instituting, commencing or prosecuting any Settled Defendants' Claims. Upon the Effective Date, the Settled Defendants' Claims of the Defendants are hereby compromised, settled, released, discharged, and dismissed on the merits and with prejudice by virtue of the proceedings herein and this Order and Final Judgment. In the event that any of the Defendants asserts against the U.S. Lead Plaintiff, any U.S. Class Member or their respective counsel, any claim that is a Settled Defendants' Claim, then U.S. Lead Plaintiff, such U.S. Class Member or counsel shall be entitled to use and assert such factual matters included within the Settled Claims only against such person in defense of such Settled Defendants' Claim but not for the purposes of asserting any claim against any other Released Party.

10. Pursuant to the PSLRA, the Released Parties are hereby discharged from all claims for contribution by any person or entity other than by the Released Parties, whether arising under state, provincial, federal or common law, based upon, arising out of, relating to, or in connection with the Settled Claims of the U.S. Class or any U.S. Class Member. Accordingly, to the full extent provided by the PSLRA, the Court hereby bars all claims for contribution against the Released Parties by any person or entity other than the Released Parties.

11. Neither this Order and Final Judgment, the Stipulation, nor any of its terms and provisions, nor any of the negotiations or proceedings connected with it, nor any of the documents or statements referred to therein, shall be:

(a) offered or received against the Released Parties as evidence of or construed as or deemed to be evidence of any presumption, concession or admission by any of the Released Parties with respect to the truth of any fact alleged by any of the plaintiffs or the validity of any claim that has been or could have been asserted in the U.S. Action or in any litigation, or the deficiency of any defense that has been or could have been asserted in the U.S. Action or in any litigation, or of any liability, negligence, fault, or wrongdoing of the Released Parties;

(b) offered or received against the Released Parties as evidence of a presumption, concession or admission of any fault, misrepresentation or omission with respect to any statement or written document approved or made by any of the Released Parties;

(c) offered or received against the Released Parties as evidence of a presumption, concession or admission with respect to any liability, negligence, fault or wrongdoing, or in any way referred to for any other reason as against any of the Released Parties, in any other civil, criminal or administrative action or proceeding, other than such proceeding as may be necessary to effectuate the provisions of the Stipulation; provided, however, that the Released Parties may refer to it to effectuate the liability protection granted them hereunder;

(d) construed against the Released Parties as an admission or concession that the consideration to be given hereunder represents the amount which could be or would have been recovered after trial; or

(e) construed as or received in evidence as an admission, concession or presumption against U.S. Lead Plaintiff or any of the U.S. Class Members that any of their claims

are without merit, or that any defenses asserted by the Released Parties have any merit, or that damages recoverable under the Complaint would not have exceeded the Gross Settlement Fund.

12. The Plan of Allocation is approved as fair and reasonable, and Plaintiffs' Counsel and the Claims Administrator are directed to administer the Stipulation in accordance with its terms and provisions.

13. The Court finds and concludes, pursuant to Section 21D(c)(1) of the Securities Exchange Act of 1934, as amended by PSLRA, 15 U.S.C. §78u-4(c)(1), that the U.S. Lead Plaintiff, U.S. Lead Plaintiff's Counsel, Defendants and counsel to the Defendants have complied with each requirement of Rule 11(b) of the Federal Rules of Civil Procedure as to any complaint, responsive pleading or dispositive motion.

14. U.S. Lead Plaintiff's Counsel in the U.S. Action are hereby awarded attorneys' fees in the amount of 30% of 60% of the Gross Settlement Fund, which amount the Court finds to be fair and reasonable. U.S. Lead Plaintiff's Counsel are hereby awarded \$\_\_\_\_\_ in expenses, which expenses shall be paid to U.S. Lead Plaintiff's Counsel from the Gross Settlement Fund. The attorneys' fees and expenses shall be paid to U.S. Lead Plaintiff's Counsel from the Gross Settlement Fund with interest from the date such Gross Settlement Fund was funded to the date paid at the same net rate that the Gross Settlement Fund earned. The awarded fees and expenses, and interest earned thereon, shall be paid to U.S. Lead Plaintiff's Counsel immediately after this Judgment is executed, subject to the terms, conditions and obligations of the Stipulation, and in particular, paragraphs 17 through 19 thereof, which terms and conditions are incorporated herein. The award of attorneys' fees shall be allocated among U.S. plaintiffs' counsel in a fashion which, in the opinion of U.S. Lead Plaintiff's Counsel, fairly compensates such counsel for their respective contributions in the prosecution and settlement of the U.S. Action.

15. The fees and expenses of Canadian Class Counsel in the Canadian Actions, as determined by the Ontario Superior Court of Justice, shall also be paid from the Gross Settlement Fund.

16. In making this award of attorneys' fees and expenses to be paid from the Gross Settlement Fund, the Court has considered and found that:

(a) the Settlement has created a cash fund of USD \$5,200,000 that is already on deposit earning interest;

(b) over \_\_\_\_\_ copies of the Notice were disseminated to putative U.S. Class Members indicating that U.S. Lead Plaintiff's Counsel were moving for attorneys' fees in the amount of up to 30% of 60% of the Gross Settlement Fund and litigation expenses awarded by the Court, and \_\_\_\_ objections were filed against the terms of the proposed Settlement or the ceiling on the fees and expenses requested by U.S. Lead Plaintiff's Counsel contained in the Notice;

(c) the U.S. Action involves complex factual and legal issues and, in the absence of a settlement, would involve further lengthy proceedings with uncertain resolution of the complex factual and legal issues;

(d) had U.S. Lead Plaintiff's Counsel not achieved the Settlement there would remain a significant risk that U.S. Lead Plaintiff and the U.S. Class may have recovered less or nothing from the Defendants;

(e) U.S. Lead Plaintiff's Counsel have devoted over \_\_\_\_\_ hours, with a lodestar value of \$\_\_\_\_\_, to achieve the Settlement;

(f) the amount of attorneys' fees and expenses awarded from the Gross Settlement Fund are fair and reasonable and consistent with awards to similar cases; and

(g) the Court finds that the amount of fees awarded is fair and reasonable under the “percentage-of-recovery” method.

17. Any appeal or any challenge affecting the approval of (a) the Plan of Allocation submitted by U.S. Lead Plaintiff’s Counsel and/or (b) this Court’s approval regarding any attorneys’ fee and expense application shall in no way disturb or affect the finality of the other provisions of this Final Judgment nor the Effective Date of the Settlement.

18. Jurisdiction is hereby retained over defendants named in the U.S. Action, the U.S. Lead Plaintiff and the U.S. Class Members for all matters relating to the U.S. Action, including the administration, interpretation, effectuation or enforcement of the Stipulation and this Order and Final Judgment, and including any application for fees and expenses incurred in connection with administering and distributing the settlement proceeds to the members of the U.S. Class.

19. In the event that the Settlement does not become Effective in accordance with the terms of the Stipulation, or is terminated pursuant to paragraphs 40 or 41 of the Stipulation, paragraphs 43 and 44 of the Stipulation shall apply and this Judgment shall be rendered null and void to the extent provided by and in accordance with the Stipulation and shall be vacated and may not be introduced as evidence or reflected in any action or proceeding by any person or entity, and each party shall be restored to his, her or its respective position as it existed immediately prior to the execution of the Stipulation.

20. Without further order of the Court, the parties may agree to reasonable extensions of time to carry out any of the provisions of the Stipulation.

21. The Defendants have provided notification to all appropriate federal and state officials regarding the Settlement as required by 28 U.S.C. §1715.

22. There is no just reason for delay in the entry of this Order and Final Judgment and immediate entry by the Clerk of the Court is expressly directed.

Dated: \_\_\_\_\_, 2011

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THE HONORABLE SHIRA A. SCHEINDLIN  
UNITED STATES DISTRICT JUDGE

## EXHIBIT E

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

In re CANADIAN SUPERIOR SECURITIES LITIGATION	:	Master File No. 1:09-cv-10087-SAS
	:	
	:	<u>CLASS ACTION</u>
This Document Relates To:	:	
	:	PLAN OF NOTICE
	:	
ALL ACTIONS.	:	EXHIBIT E
	:	
	X	

Court File No.: 1626CP

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

B E T W E E N

DOUGLAS DEVLIN and PATHWAY MULTI SERIES FUND INC.

Plaintiffs

- and -

GREG S. NOVAL, LEIGH BILTON, MICHAEL E. COOLEN,  
CHARLES DALLAS, THOMAS J. HARP, CRAIG MCKENZIE, ALEXANDER SQUIRES,  
ROBB D. THOMPSON, RICHARD WATKINS, LEIF SNETHUN,  
SONDE RESOURCES CORP. (f.k.a. CANADIAN SUPERIOR ENERGY INC.) and  
CHALLENGER ENERGY CORP.

Defendants

Proceeding under the *Class Proceedings Act, 1992*

[Caption continued on following page.]

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

B E T W E E N

DOUGLAS DEVLIN

Plaintiffs

- and -

GREG S. NOVAL, LEIGH BILTON, MICHAEL E. COOLEN,  
CHARLES DALLAS, THOMAS J. HARP, CRAIG MCKENZIE, ALEXANDER SQUIRES,  
ROBB D. THOMPSON, RICHARD WATKINS, LEIF SNETHUN,  
CANADIAN SUPERIOR ENERGY INC. and  
CHALLENGER ENERGY CORP.

Defendants

Proceeding under the *Class Proceedings Act, 1992*

Court File No.: CV-10-14848

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

B E T W E E N

ROBERT RAE

Plaintiff

- and -

GREGORY S. NOVAL, CRAIG MCKENZIE,  
MICHAEL E. COOLEN, ROBB THOMPSON and ALEXANDER SQUIRES

Defendants

Proceedings under the *Class Proceedings Act, 1992*

Capitalized terms used in this Plan of Notice have the meanings ascribed to them in the Settlement Agreement (the “Stipulation”) unless otherwise defined herein.

## **PART 1 – NOTICE OF CERTIFICATION AND SETTLEMENT APPROVAL MOTIONS**

*Subject to such alternative or additional direction by the Courts, the Pre-Approval Notices will be disseminated as follows:*

### **Individual Notice**

Within fourteen (14) calendar days of the issuance of the last Pre-Approval Order (the “Notice Date”):

1. The Claims Administrator shall mail the long-form Pre-Approval Notice and Proof of Claim to the last known addresses of all individuals and entities identified from Canadian Superior’s transfer records as provided to the Claims Administrator by Canadian Superior pursuant to ¶14 of the Stipulation;
2. The Claims Administrator will send the long-form Pre-Approval Notice and Proof of Claim to all brokerage firms in Canada and the United States identified in Schedules “A” and “B” hereto requesting that the brokerage firms either send a copy of the long-form Pre-Approval Notice and the Proof of Claim form by first-class mail to all individuals and entities identified by the brokerage firms as having a beneficial interest in the Canadian Superior common stock purchased or otherwise acquired during the Class Period, or to send the names and addresses of all such individuals and entities to the Claims Administrator who shall mail the long-form Pre-Approval Notice and the Proof of Claim to the individuals and entities so identified; and
3. Canadian Class Counsel and U.S. Lead Plaintiff’s Counsel shall mail or email the long-form Pre-Approval Notice and Proof of Claim to those Class Members who have contacted

them regarding this litigation and have provided Canadian Class Counsel and/or U.S. Lead Plaintiff's Counsel with their contact information.

Additionally, both Canadian Class Counsel and U.S. Lead Plaintiff's Counsel will make a toll free number and email address available to the public that will enable Class Members to obtain more information about the Settlement, the claims, opt out and objection processes, and to request that a copy of the long-form Pre-Approval Notice and Proof of Claim be sent to them directly. The Claims Administrator will directly mail or email the long-form Pre-Approval Notice and/or Proof of Claim form to any Class Member who contacts them and requests same. Additionally, the public may view, or obtain copies of, the Stipulation, the long-form Pre-Approval Notice and Proof of Claim form at the Claims Administrator's website.

#### **Internet Publication**

The long-form Pre-Approval Notice and Proof of Claim will be posted, in both the English and French languages, on (i) [www.classaction.ca](http://www.classaction.ca); (ii) [www.jssbarristers.ca](http://www.jssbarristers.ca); (iii) [www.rgrdlaw.com](http://www.rgrdlaw.com); and (iv) on the website to be established by the Claims Administrator to assist the administration of the Settlement.

#### **International Publication of the Pre-Approval Notice**

Publication of the short-form Pre-Approval Notice, which notice will be at least a 1/8 page in size, will occur no later than seven (7) calendar days following the Notice Date.

In Canada, such publication will be made in the English language in the national editions of the *National Post* and *Globe and Mail* and in the French language in *La Presse*. The English and French language versions of the short-form Pre-Approval Notice will also be issued across *Marketwire*, a major business newswire in Canada.

In the United States, such publication will be made in the English language only in the national edition of *Investor's Business Daily*, and by issuance of the short-form Pre-Approval Notice across *Business Wire*, a major national business newswire in the United States.

Publication will also be made in the English language only in *The Financial Times* (United Kingdom).

## **PART – 2: APPROVAL NOTICE**

Within 48 hours after the issuance by the Courts of any order granting or refusing to approve the Settlement, such orders will be posted on the websites of Canadian Class Counsel at [www.classaction.ca](http://www.classaction.ca) and [www.jssbarristers.ca](http://www.jssbarristers.ca), U.S. Lead Plaintiff's Counsel at [www.rgrdlaw.com](http://www.rgrdlaw.com), and on the Claims Administrator's website. Such orders will also be sent directly to any person who requests it. Class Members will be made aware of the availability of those orders through the long-form Pre-Approval Notice.

**SCHEDULE "A"**  
**CANADIAN BROKERAGE FIRMS**

- Assante Corp.
- BMO Nesbitt Burns
- Canaccord Capital
- CIBC Wood Gundy
- Desjardins Securities
- Dundee Wealth Management
- E\*Trade Canada
- Edward Jones
- HSBC InvestDirect
- Investors Group
- National Bank Financial
- RBC Dominion Securities
- Raymond James
- Scotia McLeod
- TD Waterhouse

**SCHEDULE "B"**  
**UNITED STATES BROKERAGE FIRMS**

- Ameritrade
- Charles Schwab
- Deutsche Bank
- Edward Jones
- E\*Trade
- Fidelity Investments
- Goldman Sachs
- Merrill Lynch
- Morgan Stanley
- Scottrade
- Smith Barney
- Tradeking
- FolioFN
- Sharebuilder
- UBS AG
- Zecco

## EXHIBIT F

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

_____	X	
In re CANADIAN SUPERIOR SECURITIES	:	Master File No. 1:09-cv-10087-SAS
LITIGATION	:	
_____	:	<u>CLASS ACTION</u>
	:	
This Document Relates To:	:	NOTICE OF PENDENCY AND
	:	CERTIFICATION OF CLASS ACTIONS,
ALL ACTIONS.	:	PROPOSED SETTLEMENT AND
_____	X	SETTLEMENT APPROVAL/FAIRNESS
		HEARINGS
		EXHIBIT F

Court File No.: 1626CP

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

B E T W E E N

DOUGLAS DEVLIN, *et al.*

Plaintiffs

- and -

GREG S. NOVAL, LEIGH BILTON, MICHAEL E. COOLEN,  
CHARLES DALLAS, THOMAS J. HARP, CRAIG MCKENZIE, ALEXANDER SQUIRES,  
ROBB D. THOMPSON, RICHARD WATKINS, LEIF SNETHUN,  
SONDE RESOURCES CORP. (f.k.a. CANADIAN SUPERIOR ENERGY INC.) and  
CHALLENGER ENERGY CORP.

Defendants

Proceeding under the *Class Proceedings Act, 1992*

[Caption continued on following page.]

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

B E T W E E N

DOUGLAS DEVLIN

Plaintiffs

- and -

GREG S. NOVAL, LEIGH BILTON, MICHAEL E. COOLEN,  
CHARLES DALLAS, THOMAS J. HARP, CRAIG MCKENZIE, ALEXANDER SQUIRES,  
ROBB D. THOMPSON, RICHARD WATKINS, LEIF SNETHUN,  
CANADIAN SUPERIOR ENERGY INC. and  
CHALLENGER ENERGY CORP.

Defendants

*Proceeding under the Class Proceedings Act, 1992*

Court File No.: CV-10-14848

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

B E T W E E N

ROBERT RAE

Plaintiff

- and -

GREGORY S. NOVAL, CRAIG MCKENZIE,  
MICHAEL E. COOLEN, ROBB THOMPSON and ALEXANDER SQUIRES

Defendants

*Proceedings under the Class Proceedings Act, 1992*

This Notice provides you with important information concerning the proposed settlement (the “Settlement”) of class action lawsuits (the “Actions”) separately brought by three representative plaintiffs (the “Canadian Representative Plaintiffs”) in Canada (the “Canadian Actions”) and Gino Ströker (the “U.S. Lead Plaintiff”) in the United States (the “U.S. Action”), on behalf of themselves and the classes described herein, against Gregory S. Noval, Michael E. Coolen, Craig McKenzie, Leif Snethun, Leigh Bilton, Charles Dallas, Thomas J. Harp, Alexander Squires, Robb D. Thompson, Richard Watkins, Sonde Resources Corp. (f/k/a Canadian Superior Energy Inc. (“Sonde” or “Canadian Superior” or the “Company”) and Challenger Energy Corp. (“Challenger”) (collectively, the “Defendants”).

***IF YOU PURCHASED OR OTHERWISE ACQUIRED CANADIAN SUPERIOR COMMON STOCK BETWEEN JANUARY 14, 2008 AND FEBRUARY 17, 2009, INCLUSIVE, YOUR RIGHTS MAY BE AFFECTED BY THESE CLASS ACTIONS AND YOU MAY BE ENTITLED TO A PAYMENT FROM THIS PROPOSED CLASS ACTION SETTLEMENT.***

***This Notice was authorized and approved by the U.S. and Ontario courts in charge of the Actions. This is not a solicitation from a lawyer.***

- The Settlement described herein will provide a gross settlement fund of Five Million Two Hundred Thousand United States Dollars (USD\$5,200,000), plus interest (the “Gross Settlement Fund”), for the benefit of investors who purchased or otherwise acquired Canadian Superior common stock between January 14, 2008 and February 17, 2009, inclusive (the “Class Period”).
- The Settlement resolves both Actions before the Ontario Superior Court of Justice (the “Ontario Court”) and the United States District Court for the Southern District of New York (the “U.S. Court”) (collectively, the “Courts”) against the Defendants alleging, among other things, false and misleading public statements concerning the success of Canadian Superior’s efforts to drill for natural gas off the coast of Trinidad and Tobago in an area known as the Intrepid Block 5(c).
- The Settlement also includes full and final releases of known and unknown claims that are or could have been asserted in the Actions against the Defendants and others described herein (the “Released Parties”).
- In order to become effective, the Settlement must be approved by both Courts.
- Solely for purpose of implementing the Settlement, the Ontario Court has certified the Canadian Actions as a class proceeding, and approved the form and method of

disseminating this Notice to members of the certified class. The Ontario Court will conduct a hearing to consider whether to finally approve the Settlement on \_\_\_\_\_. The class certified by the Ontario Court (the “Canadian Class”) is described below.

- Solely for purpose of implementing the Settlement, the U.S. Court has granted preliminary approval of the Settlement, and certified a class (the “U.S. Class”), and approved the form and method of disseminating this Notice to members of the U.S. Class. The U.S. Court will conduct a fairness hearing to consider whether to finally approve the Settlement on \_\_\_\_\_. The U.S. Class is described below.
- If the Settlement is not approved by both of the Courts and does not become effective for that reason or as otherwise provided under the Settlement, the certification of the Canadian Class and U.S. Class respectively by each of the Ontario Court and the U.S. Court will be set aside.
- **If the Courts approve the Settlement, your legal rights will be affected by this Settlement whether you act or do not act. Please read this Notice carefully.**

## **YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT**

### **SUBMIT A PROOF OF CLAIM**

The only way to get a payment. A Proof of Claim form must be submitted by \_\_\_\_\_ to the Claims Administrator (defined below).

### **EXCLUDE YOURSELF (Opt out of the Canadian Class/U.S. Class)**

Get no payment. This is the only option that allows you to ever participate in another lawsuit against the Defendants and the other Released Parties relating to the Settled Claims (defined below). If you wish to exclude yourself, you must do so by \_\_\_\_\_.

### **OBJECT**

Write to either the U.S. Lead Plaintiff’s Counsel or to Canadian Class Counsel (defined below) (collectively, “Plaintiffs’ Counsel”) about why you do not like the Settlement, Plan of Allocation or attorneys’ fee and expense applications. Plaintiffs’ Counsel will file your objection with the appropriate court but if you are a U.S. Class Member you should also send your objection directly to the U.S. Court. If you wish to object, you must do so by \_\_\_\_\_.

### **GO TO THE COURT SETTLEMENT HEARINGS**

If you have submitted an objection, you may also ask to speak to the U.S. Court or the Ontario Court about your decision to object. You must provide notice of your desire to do so within

your written objection by \_\_\_\_\_.

## **DO NOTHING**

Get no payment. Give up rights to participate in any other lawsuit against the Defendants and the other Released Parties in respect of Settled Claims (defined below).

- These rights and options – **and the deadlines to exercise them** – are explained in this Notice.
- The Courts still have to decide whether to approve the Settlement. Payments will be made only if both Courts approve the Settlement and after any appeals are resolved and all Proof of Claim forms have been reviewed and processed. Please be patient.

## **SUMMARY NOTICE**

### **Statement of Plaintiff Recovery:**

Pursuant to the Settlement, a Gross Settlement Fund consisting of Five Million Two Hundred Thousand United States Dollars (USD\$5,200,000.00) in cash, plus interest thereon, has been established. Plaintiffs estimate that there were approximately 113 million shares of Canadian Superior common stock that traded on the Toronto Stock Exchange (“TSX”) and American Stock Exchange (“AMEX”) during the Class Period that may have been damaged. Plaintiffs estimate that the average recovery per damaged Canadian Superior share is approximately USD\$0.046 before deduction of Court-approved attorneys’ fees and expenses.

A Canadian Class Member’s and/or U.S. Class Member’s (“Class Member”) actual recovery under the Settlement will be a proportion of the Net Settlement Fund (as defined under Question 8 below) determined by that claimant’s recognized loss as compared to the total recognized losses of all Class Members who submit acceptable Proofs of Claim. Depending on the number of claims submitted, the number of shares purchased or acquired, the exchange on which those shares were purchased or acquired, and the timing of his, her or its purchases and sales (if any), an individual Class Member may receive more or less than this average amount. See the Plan of Allocation of the

Net Settlement Fund on page \_\_\_ of this Notice for more information about the determination of each Class Member's potential recovery under this Settlement.

**Statement of Potential Outcome of Case:**

The parties in the Actions vigorously disagree on all elements of liability and damages, and do not agree on the amount of damages per security that would be recoverable if the Plaintiffs were to have prevailed on each claim alleged in the Actions. The Defendants in the Actions deny that they are liable to Plaintiffs or to Class Members and deny that the Plaintiffs or Class Members have suffered any damages.

The issues on which the parties disagree include, among other things: (i) whether the Defendants made any materially false or misleading statements or otherwise failed to meet any disclosure obligations during the Class Period; (ii) whether any of the alleged materially false or misleading statements or omissions were made with the requisite level of intent or are otherwise actionable under the United States Securities Exchange Act of 1934, the Ontario Securities Act or Canadian common law; (iii) whether members of the Canadian Class relied on the alleged misstatements in purchasing Canadian Superior common stock during the Class Period; (iv) whether the various matters alleged in the Actions influenced the trading price of Canadian Superior common stock at various times during the Class Period; (v) the extent to which other factors beyond those alleged in the Actions influenced the trading price of Canadian Superior common stock at various times during the Class Period; and (vi) the appropriate model for determining whether the prices of Canadian Superior common stock were artificially inflated during the Class Period by reason of the alleged materially false or misleading statements or omissions and the extent, if any, of such inflation.

**Statement of Attorneys'/Lawyers' Fees and Expenses Sought:**

Counsel for the Canadian Class in the Canadian Action ("Canadian Class Counsel") will ask the Ontario Court for an award of lawyers' fees not to exceed 25% of 40% of the Gross Settlement Fund, plus interest on such fees, and an additional amount to be paid from the Gross Settlement Fund for reimbursement of expenses, plus applicable taxes on the fees and expenses. Canadian Class Counsel will ask the Ontario Court for expenses incurred in connection with the prosecution of the Canadian Actions in the approximate amount of CAD\$75,000, plus applicable taxes.

Counsel for the U.S. Class in the U.S. Action ("U.S. Lead Plaintiff's Counsel") will ask the U.S. Court for an award of attorneys' fees not to exceed 30% of 60% of the Gross Settlement Fund, and an additional amount to be paid from the Gross Settlement Fund for payment of expenses. U.S. Lead Plaintiff's Counsel will ask the U.S. Court for expenses incurred in connection with the prosecution of the U.S. Action not to exceed USD\$150,000.

In the aggregate, the total amount of fees requested by Plaintiffs' Counsel in the Actions will not exceed thirty percent (30%) of the Gross Settlement Fund, plus expenses to Plaintiffs' Counsel not to exceed USD\$250,000.

The attorneys and lawyers representing the Plaintiffs and Class Members in both Actions state that they have expended considerable time and effort conducting the Actions on a contingent fee basis and have advanced the expenses of the Actions in the expectation that, if they were successful in obtaining a recovery for Class Members, they would be paid from such recovery. In this type of litigation, it is customary for the attorneys and lawyers representing Plaintiffs and Class Members to be awarded a percentage of the total recovery as their attorneys'/lawyers' fees.

**Reasons for the Settlement:**

Based upon their investigation and evaluation of the facts and law relating to the claims asserted in the Actions, the Plaintiffs and Plaintiffs' Counsel agreed to the Settlement after considering, among other things: (i) the substantial benefits to Class Members of the Settlement; (ii) the uncertainty of being able to prove the allegations asserted in the Actions; (iii) the attendant risks of litigation, especially in complex actions such as these, as well as the difficulties and delays inherent in such litigation (including any appeals); (iv) the risk that the Ontario Court may not grant leave to pursue claims under the Ontario Securities Act; (v) the risk that one or more of the Actions would not be certified to proceed as a class action; (vi) the uncertainty, even if Plaintiffs were to establish liability at trial, inherent in the parties' competing theories of damages; (vii) their awareness of Defendants' likely positions on various liability and damages issues; (viii) the desirability of consummating the Settlement in order to provide certain and effective relief to Class Members without further delay; (ix) the fact that Canadian Superior had restructured pursuant to Canadian bankruptcy laws, which limited the types of claims that could be advanced against the Defendants and the potential recovery from the Defendants; and (x) their belief that the Settlement is fair, reasonable and adequate, and in the best interests of all Class Members.

Defendants' reasons for entering into the Settlement are to bring to an end the substantial expense, burdens, risks and uncertainties associated with continued litigation; to finally put to rest the claims and the underlying matters raised in the Actions; and to avoid further expense and disruption of the management and operation of Defendants' business and affairs due to the prosecution and defense of the Actions. The Settlement shall not be construed as, and is not, an admission of any liability, wrongdoing or damages whatsoever by any of the Defendants.

**Further Information:**

Further information regarding the U.S. Action and this Notice may be obtained by contacting one of the U.S. Lead Plaintiff's Counsel: David A. Rosenfeld, Robbins Geller Rudman & Dowd LLP, 58 South Service Road, Suite 200, Melville, NY 11747, toll-free telephone (800) 449-4900, or by visiting U.S. Lead Plaintiff's Counsel's website at [www.rgrdlaw.com](http://www.rgrdlaw.com).

Further information regarding the Canadian Actions and this Notice may be obtained by contacting Canadian Class Counsel: A. Dimitri Lascaris, Siskinds LLP, 680 Waterloo Street, P.O. Box 2520, London, Ontario N6A 3V8, toll-free telephone (800) 461-6166, ext. 7872, Jay Strosberg, Sutts, Strosberg LLP, 600 – 251 Goyeau Street, Windsor, Ontario N9A 6V4, or by visiting Canadian Class Counsel's website at [www.classaction.ca](http://www.classaction.ca).

**BASIC INFORMATION****1. Why Did I Get This Notice Package?**

The U.S. Court and Ontario Court authorized this Notice to be sent to you because you or someone in your family may have purchased or otherwise acquired Canadian Superior common stock between January 14, 2008 and February 17, 2009, inclusive. Such purchasers may be members of the respective classes certified by the U.S. Court and/or Ontario Court in the Actions.

If this description applies to you or someone in your family, then you have a right to know about the settlement of the Actions, and about all of your options, before the Courts decide whether to approve the Settlement. If the Courts approve the Settlement, and after any appeals are resolved in favor of approval of the Settlement, an administrator appointed by the Courts (the "Claims Administrator") will make the payments that the Settlement allows.

This Notice explains the Actions and classes certified for settlement purposes therein, the Settlement, Class Members' legal rights, what benefits are available, who is eligible for them, and how to get them.

The Courts in charge of the Actions and consideration of whether the Settlement should be approved are as follows:

<b>Court (Address)</b>	<b>Action</b>
Ontario Superior Court of Justice 80 Dundas Street London, ON N6A 6A3  The Honourable Justice Rady	<i>Devlin v. Noval, et al.</i> , Court File No. 1358/10CP, <i>Devlin, et al. v. Noval, et al.</i> , Court File No. 1626CP, and <i>Rae v. Noval, et al.</i> , Court File No. CV-10-14848 (defined above as the "Canadian Actions")
United States District Court for the Southern District of New York Daniel Patrick Moynihan United States Courthouse 500 Pearl Street New York, NY 10007  The Honorable Shira A. Scheindlin United States District Judge	<i>In re Canadian Superior Securities Litigation</i> Master File No. 1:09-cv-10087-SAS (defined above as the "U.S. Action")

The individual and pension funds who sued are called the plaintiffs, and the companies and the individuals they sued are called the defendants.

The Ontario Court will resolve the issues for all members of the Canadian Class (defined below) who do not exclude themselves from the Canadian Class. The U.S. Court will resolve the issues for all members of the U.S. Class (defined above) who do not exclude themselves from the U.S. Class.

## **2. What Is This Lawsuit About?**

Canadian Superior is a Canadian company, with its head office located in Calgary, Alberta, focusing on the exploration for, acquisition, development, and production of petroleum and natural gas, and liquefied natural gas. The Company has sought protection under Canadian bankruptcy and reorganization laws and has since reorganized. It has operations in Canada, the United States, offshore Nova Scotia, offshore Trinidad and Tobago, and North Africa. During the Class Period, Canadian Superior common stock traded on the Toronto Stock Exchange and the American Stock Exchange.

On February 12, 2009, Canadian Superior announced, among other things, that its interest in Intrepid Block 5(c) had been placed in a receivership upon the application of its partner in the exploration efforts, BG International Limited (“BGI”). BGI supported its application for a receivership with an affidavit from its Vice President, Commercial of BG Trinidad & Tobago (“BGI Affidavit”). The BGI Affidavit revealed that BGI believed the available information showed Intrepid Block 5(c) did not contain the quantity of natural gas reserves Canadian Superior had represented and did not contain information that the gas was economically viable. The BGI Affidavit also stated that Canadian Superior was in material breach of its contractual obligations at all times throughout the project and that the Company lacked sufficient funds to cover its obligations to complete the exploration efforts. Following this announcement, shares of Canadian Superior common stock fell approximately 44% on both the AMEX and TSX.

Plaintiffs allege that Defendants made material misstatements or omitted to state material information in Canadian Superior’s public statements during the Class Period. More specifically, the Plaintiffs alleged that the Defendants’ statements made during the Class Period were materially false and misleading when made and failed to disclose: (i) the progress of three wells at Intrepid Block

5(c); (ii) the Company's compliance with, and liability under, the Joint Operating Agreement; and (iii) the Company's inability to meet its financial obligations to the joint venture in late 2008.

The U.S. Action alleges, among other things, that Defendants violated §§10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act").

The Canadian Actions raise similar allegations based on Canadian common law, corporate law and the Ontario Securities Act.

The Canadian Actions and the U.S. Action seek money damages for their respective classes. The Defendants deny that they violated any laws or did anything wrong, deny that they are liable to Class Members and deny that Class Members have suffered damages.

### **3. What Is a Class Action?**

In a class action, one or more people called class representatives (in this case, the Canadian Representative Plaintiffs in the Canadian Actions and the U.S. Lead Plaintiff in the U.S. Action) sue on behalf of people who have similar claims. All these people are collectively called a "Class" or "Class Members." Bringing a case as a class action allows the adjudication of many similar claims of persons or entities that might be economically too small to bring as individual actions.

### **4. Why Is There a Settlement?**

The Courts did not decide in favor of Plaintiffs or Defendants. Instead, these parties agreed to the Settlement. The Settlement avoids the risks and costs of a trial, and eligible Class Members who make a valid claim receive compensation sooner. See "Reasons for the Settlement" above. The Plaintiffs and their attorneys and lawyers in both the U.S. Action and Canadian Actions think the Settlement is fair, reasonable and adequate and in the best interests of all Class Members.

To see if you will get money from the Settlement, you first have to determine if you are a Class Member.

## WHO IS IN THE SETTLEMENT

### 5. How Do I Know If I Am Eligible to Take Part in the Settlement?

The Ontario Court has directed, solely for purposes of the proposed Settlement, that everyone who fits this description is a member of the Canadian Class: *All Persons, other than Excluded Persons (defined below), who purchased or otherwise acquired Canadian Superior common stock during the Class Period on the Toronto Stock Exchange.*

The U.S. Court has directed, solely for purposes of the proposed Settlement, that everyone who fits this description is a member of the U.S. Class: *All Persons who purchased or otherwise acquired Canadian Superior common stock during the period between January 14, 2008 and February 17, 2009, inclusive, other than members of the Canadian Class and Excluded Persons.*

### 6. What Are the Exceptions to Being Included?

You are *not* a member of the U.S. Class if you are a member of the Canadian Class or any of the following “Excluded Persons”: (a) a Defendant; (b) a member of the immediate family of each current or former individual defendant in the Actions; (c) an entity in which a Defendant has a controlling interest; (d) a parent, subsidiary, or affiliate of Sonde or Challenger; (e) a director or officer of Canadian Superior during the Class Period; (f) a legal representative, heir, predecessor, successor, or assign of any Defendant in the Actions; and (g) a putative member of the Class who excludes himself or herself by timely requesting exclusion by filing an Opt-out Request with the Claims Administrator in accordance with the requirements set forth in this Notice. In addition, any Class Member who timely submits a valid request for exclusion from the U.S. Class to the Claims Administrator in accordance with the requirements and procedures set forth in this Notice is not a member of the U.S. Class and cannot participate in the Settlement.

Similarly, you are not a member of the Canadian Class if you are an “Excluded Person,” or if you timely submit a valid request for exclusion from the Canadian Class to the Claims Administrator in accordance with the requirements and procedures set forth in this Notice and cannot participate in the Settlement.

If one of your mutual funds purchased or acquired Canadian Superior common stock during the Class Period, that alone does not make you a Class Member. You are a Class Member only if you, your broker or someone else purchased or acquired Canadian Superior common stock on your behalf during the Class Period. Check your investment records or contact your broker to see if you purchased or acquired Canadian Superior common stock during the Class Period.

If you ***sold*** Canadian Superior common stock during the Class Period, that alone does not make you a Class Member. You are a Class Member only if you ***purchased or otherwise acquired*** Canadian Superior common stock during the Class Period.

**7. I Am Still Not Sure if I Am Included.**

If you are still not sure whether you are included, you can ask for free help. You can call \_\_\_\_\_ or send an e-mail to \_\_\_\_\_ for more information. You can also write to the Claims Administrator at:

Canadian Address

*Canadian Superior Securities Litigation*  
Claims Administrator  
c/o \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

U.S. Address

*Canadian Superior Securities Litigation*  
Claims Administrator  
c/o \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Alternatively, you can fill out and return the Proof of Claim form described in Question 10 below to see if you qualify.

## **THE SETTLEMENT BENEFITS – WHAT YOU GET**

### **8. What Does the Settlement Provide?**

In exchange for the Settlement, inclusive of the releases therein, and dismissal of the Actions, the Defendants have agreed to pay, through their insurer, Five Million Two Hundred Thousand Dollars (USD\$5,200,000) in cash, plus interest earned on that sum while held in escrow, to be divided among all eligible Class Members who send in valid Proof of Claim forms, after payment of Court-approved attorneys'/lawyers' fees and expenses and the costs of claims administration, including the costs of printing and mailing this Notice and the cost of publishing newspaper notices (the "Net Settlement Fund").

### **9. How Much Will My Payment Be?**

If you are entitled to a payment under the Settlement, your share of the Net Settlement Fund will depend on how many Class Members send in valid Proof of Claim forms, the total recognized losses for settlement purposes ("Recognized Loss") represented by those valid Proof of Claim forms that Class Members send in, how many shares of Canadian Superior common stock you purchased or acquired, when you purchased or acquired them, on what exchange you purchased or acquired them, how much you paid for them, when you sold them, and the price for which you sold them.

You can calculate your Recognized Loss in accordance with the formula shown below in the Plan of Allocation of the Net Settlement Fund. It is unlikely that you will get a payment for your entire Recognized Loss. After all Class Members have sent in their Proof of Claim forms, the payment you get will be the proportion of the Net Settlement Fund equal to your Recognized Loss divided by the total of all Recognized Losses for Class Members who have sent in valid Proof of Claim forms. See the Plan of Allocation on page \_\_\_ for more information on your Recognized Loss.

## **HOW YOU GET PAYMENT – SUBMITTING A CLAIM FORM**

### **10. How Will I Get a Payment?**

To qualify for a payment, you must be a member of the Canadian Class or the U.S. Class and you must send in a timely and valid Proof of Claim form. A Proof of Claim form is enclosed with this Notice. Read the instructions carefully, fill out the form, include all the documents the form asks for, sign it, and mail it to the Claims Administrator at the P.O. Box address on the form by first-class mail, postmarked no later than \_\_\_\_\_.

If you did not receive a Proof of Claim form, you can get one on the internet at [www.classaction.ca](http://www.classaction.ca), [www.jssbarristers.ca](http://www.jssbarristers.ca), [www.rgrdlaw.com](http://www.rgrdlaw.com), or [www.gilardi.com](http://www.gilardi.com). You can also ask for a Proof of Claim form by calling \_\_\_\_\_ toll-free.

### **11. When Will I Get My Payment?**

The U.S. Court will hold a hearing on \_\_\_\_\_, 2011, to decide whether to approve the Settlement. The Ontario Court will hold a hearing on \_\_\_\_\_, 2011, to decide whether to approve the Settlement. Both Courts must approve the Settlement for the Settlement to become effective. After the Courts decide these issues, however, there may be appeals from those decisions. It is always uncertain whether these appeals can be resolved favorably in support of the Settlement, and resolving them can take time, perhaps more than a year. It also takes a long time, often as much as a year, for all the Proofs of Claim submitted to be accurately reviewed and processed. Please be patient.

### **12. What Am I Giving Up to Get a Payment and Stay in the Class?**

Unless you exclude yourself (“opt out”) from the Settlement in the manner described in this Notice, you are staying in the Class. That means that, upon the Effective Date (defined below), you (and your personal representatives, agents, heirs, executors, administrators, trustees, beneficiaries,

current and former plan members and contributors, successors, assigns and any persons you represent in relation to Canadian Superior common stock purchased or otherwise acquired during the Class Period or in relation to the “Settled Claims” (defined below)) will be held to have released and forever discharged the “Released Parties” in respect of the Settled Claims and will be barred and enjoined from suing, continuing to sue or being part of any other lawsuit against the Released Parties relating to the Settled Claims.

It also means that if you are a member of the Canadian Class, all of the Ontario Court’s orders will apply to you and legally bind you, and if you are a member of the U.S. Class, all of the U.S. Court’s orders will apply to you and legally bind you, both of which include terms providing for such release of and bar against further suits by Class Members relating to Settled Claims against the Released Parties.

“Released Parties” means any and all of the Defendants, and each of their respective present and former parents, subsidiaries, affiliates, officers, directors, employees, general or limited partners or partnerships, foundations, trusts, principals, trustees, attorneys, legal counsel, auditors, accountants, investment bankers, consultants, agents, insurers (including Defendants’ Insurers), co-insurers, heirs, executors, administrators, predecessors, successors and assigns.

“Settled Claims” means any and all claims, debts, demands, rights, actions, causes of action, suits, matters, issues, damages, losses or liabilities whatsoever (including, but not limited to, any claims for interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses or liability whatsoever), whether based on United States or Canadian federal, state, provincial, local, statutory or common law or any other law, rule or regulation, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, whether class or individual in nature, including both known claims and Unknown Claims (as defined below) (i) that

have been asserted in any of the Actions against any of the Released Parties; or (ii) that could have been asserted in any forum by the Class Members or any of them (as purchasers of Canadian Superior common stock during the Class Period) against any of the Released Parties which arise out of or are based upon the allegations, transactions, facts, matters, breaches, occurrences, financial statements, statements, representations or omissions involved, set forth, or referred to in the Actions (except that Settled Claims does not include claims, rights or causes of action or liabilities whatsoever (i) to enforce the Settlement; and (ii) for breach or violation of any of the terms of the Stipulation or orders or judgments issued by the Courts in connection with the Settlement or confidentiality obligations with respect to settlement communications).

(a) “Unknown Claims” means any and all Settled Claims which any of the Plaintiffs or the Class Members do not know or suspect to exist in their favor at the time of the Effective Date, and any Settled Defendants’ Claims which any Defendant does not know or suspect to exist in his or its favor at the time of the Effective Date which if known might have affected the decisions with respect to the Settlement and releases therein. With respect to any and all Settled Claims and Settled Defendants’ Claims, the parties stipulate and agree that, upon the Effective Date, Plaintiffs and Defendants shall expressly waive, and each Class Member shall be deemed to have waived, and by operation of the judgments shall have expressly waived, any and all provisions, rights and benefits conferred by any law of any state, province, or territory of the United States or Canada, or principle of common law or otherwise, which provides that a general release does not extend to claims which a creditor or releasor does not know or suspect to exist in their favor at the time of executing the release which, if known, might have materially affected their settlement and release of individuals and persons, including any provisions, rights or benefits under California Civil Code §1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in her or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Plaintiffs and Class Members may hereinafter discover facts in addition to, or different from, those which they now know or believe to be true with respect to the subject matter of the Settled Claims, but Plaintiffs shall expressly fully, finally, and forever settle and release, and each Class Member, upon the Effective Date, shall be deemed to have and, by operation of the judgments shall have, fully, finally, and forever settled and released any and all Settled Claims. Plaintiffs and Defendants acknowledge, and Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of “Unknown Claims” in the definition of Settled Claims and Settled Defendants’ Claims was separately bargained for and was a key element of the Settlement. Defendants may hereinafter discover facts in addition to, or different from, those which they know or believe to be true with respect to the subject matter of the Settled Defendants’ Claims, but Defendants shall expressly fully, finally, and forever settle and release any and all Settled Defendants’ Claims.

The “Effective Date” will occur upon both Courts approving the Settlement, the Court Judgments provided for under the terms of the Settlement becoming final and not subject to appeal and when all other conditions of the Settlement have been met.

### **EXCLUDING YOURSELF FROM THE SETTLEMENT**

If you are a member of the Canadian Class or the U.S. Class, and you want to keep any right you may have to sue or continue to sue the Defendants and the other Released Parties on your own with respect to the Settled Claims, and you do not want to be bound by the decisions of the Courts regarding this Settlement, then you must take steps to get out of the Class of which you would otherwise be a member. As referred to above, this is called excluding yourself from, or “opting out” of, the Class.

Defendants may withdraw from and terminate the Settlement if Class Members who purchased in excess of a certain aggregate number of shares of Canadian Superior common stock exclude themselves from the Class.

### 13. How Do I Opt Out of the Class?

To exclude yourself from your applicable Class, you must mail a letter to the Claims Administrator stating that you want to be excluded from your Class. The letter must include the following information: your name, address, telephone number, your signature, and the number of shares of Canadian Superior common stock you purchased or otherwise acquired between January 14, 2008 and February 17, 2009, the stock exchange on which such common stock was purchased or acquired, the number of shares of common stock sold during this time period, if any, and the dates of all such purchases, acquisitions and sales. If you send a letter containing all of the information described above, supported by broker confirmations or other documentation evidencing the transactions, on a timely basis to the Claims Administrator at either one of the addresses below, you will be deemed to have opted out of the Class of which you would otherwise have been a member. All requests for exclusion must be postmarked no later than \_\_\_\_\_. You cannot exclude yourself by telephone or e-mail.

If you are a **Canadian** Class Member, mail your exclusion request to:

*Canadian Superior Canadian Class Action Exclusions*

\_\_\_\_\_  
\_\_\_\_\_

If you are a **U.S.** Class Member, mail your exclusion to:

*Canadian Superior U.S. Class Action Exclusions*

\_\_\_\_\_  
\_\_\_\_\_

If you ask to be excluded, you will not get any Settlement payment, and you cannot object to the Settlement. You will not be legally bound by anything that happens in these lawsuits.

**14. If I Do Not Opt Out, Can I Sue the Defendants for the Same Thing Later?**

No. Unless you opt out, you give up any right to sue the Defendants and the other Released Parties in respect of the Settled Claims resolved by this Settlement. However, if you opt out and do not send in a Proof of Claim, you may sue, continue to sue, or be part of a different lawsuit against the Defendants and the other Released Parties regarding the Settled Claims. If you have a pending lawsuit against any of the Defendants, speak to your lawyer in that case immediately. Remember, the exclusion deadline is \_\_\_\_\_.

**15. If I Opt Out, Can I Get Money from This Settlement?**

No. If you opt out, do not send in a Proof of Claim form, because you will be ineligible for compensation from the Settlement and will be required to release Settled Claims against the Released Parties as part of the Proof of Claim.

**THE LAWYERS REPRESENTING YOU**

**16. Do I Have a Lawyer in This Case?**

The U.S. Court ordered that the law firms of Robbins Geller Rudman & Dowd LLP, and Holzer Holzer & Fistel LLC (“U.S. Lead Plaintiff’s Counsel”), represents all members of the U.S. Class in the U.S. Action. The law firms of Siskinds LLP, Jensen Shawa Solomon Duguid Hawkes LLP and Sutts, Strosberg LLP (“Canadian Class Counsel”), represent members of the Canadian Class in the Canadian Actions.

You will not be personally charged for any of these lawyers. The Courts will determine the amount of attorneys’ fees and expenses the lawyers will receive, which will be paid from the Gross Settlement Fund. If you want to be represented by your own lawyer, you may hire one at your own expense.

## **17. How Will the Lawyers Be Paid?**

Canadian Class Counsel will ask the Ontario Court, at the settlement approval hearing, for an order awarding them lawyers' fees from the Gross Settlement Fund in a total amount not to exceed 25% of 40% of the Gross Settlement Fund plus applicable taxes and interest on such fees at the same rate earned by the Gross Settlement Fund. In addition, Canadian Class Counsel will ask the Ontario Court for expenses not to exceed CAD\$75,000 plus applicable taxes to be paid out of the Gross Settlement Fund plus interest on such expenses at the same rate earned by the Gross Settlement Fund. This request is consistent with the retainer agreement between Canadian Class Counsel and the Canadian Representative Plaintiffs, which provides that Canadian Class Counsel is to be paid only in the event that a recovery is obtained for the Canadian Class, and that Canadian Class Counsel may seek an order from the Ontario Court awarding fees and disbursements not exceeding \_\_% of the Gross Settlement Fund.

U.S. Lead Plaintiff's Counsel will ask the U.S. Court, at the U.S. fairness hearing, to award attorneys' fees from the Gross Settlement Fund in a total amount not to exceed 30% of 60% of the Gross Settlement Fund, plus interest on such fees at the same rate earned by the Gross Settlement Fund. In addition, U.S. Lead Plaintiff's Counsel will ask the U.S. Court for expenses not to exceed USD\$150,000 to be paid out of the Gross Settlement Fund, plus interest on such expenses at the same rate earned by the Gross Settlement Fund. Class Members are not personally liable for any such attorneys' fees and expenses.

The combined amount of all requests by Plaintiffs' Counsel for attorneys'/lawyers' fees will not exceed 30% of the Gross Settlement Fund.

The attorneys' fees and expenses requested will be the only payment to Plaintiffs' Counsel for their efforts in achieving this Settlement, for their risk in undertaking this representation on a

wholly contingent basis, and for any work performed subsequent to the Courts' awards of fees for the purpose of completing the administration of the Settlement. To date, Plaintiffs' Counsel have not been paid for their services for pursuing the Actions on behalf of the Plaintiffs and Class Members, and they have not been reimbursed for their out-of-pocket expenses. The fees requested will compensate Plaintiffs' Counsel for their work in creating the Gross Settlement Fund. The Courts may award less than this amount.

Plaintiffs' Counsel, without further notice to the Class, may subsequently apply to one or both of the Courts for additional expenses incurred in connection with administering and distributing the Settlement proceeds to the members of the Class and any proceedings subsequent to the hearings by the Courts approving the Settlement.

**OBJECTING TO THE SETTLEMENT, THE PROPOSED PLAN OF ALLOCATION  
AND APPLICATIONS FOR ATTORNEYS'/LAWYERS' FEES AND LITIGATION  
EXPENSES**

If you are a Class Member, you can tell the Courts that you do not agree with the Settlement or some part of it, the proposed Plan of Allocation, and/or any of the applications for attorneys'/lawyers' fees and expenses.

**18. How Do I Tell the Court that I Do Not Like the Settlement, the Proposed Plan of Allocation and/or Applications for Attorneys'/Lawyers' Fees and Litigation Expenses?**

If you are a Class Member, you can object to the Settlement or any of its terms, the proposed Plan of Allocation of the Net Settlement Fund or the applications by Plaintiffs' Counsel for awards of attorneys'/lawyers' fees and expenses. You may write to Canadian Class Counsel, if you are a member of the Canadian Class, or the U.S. Lead Plaintiff's Counsel, if you are a member of the U.S. Class, setting out your objection and giving reasons why you think the Court should not approve the

Settlement, Plan of Allocation, or application for fees and expenses. The appropriate Court will consider your views if you file a proper objection according to the following procedures.

If you are a Canadian Class Member, you may object in the Canadian Actions. If you wish to do so, you must send a signed letter saying that you object to the proposed Settlement, the Plan of Allocation and/or application for attorneys'/lawyers' fees and expenses in *Devlin v. Noval, et al.*, Court File No. 1358/10CP, *Devlin, et al. v. Noval, et al.*, Court File No. 1626CP, and *Rae v. Noval, et al.*, Court File No. CV-10-14848. Be sure to include your name, address, telephone number and your signature, and identify and supply copies of documentation showing the date(s), price(s), and number(s) of Canadian Superior common shares purchased or otherwise acquired and sold between January 14, 2008 and February 17, 2009, inclusive, and on which exchange they were purchased or acquired and/or sold. In addition, state the reason(s) why you object to the Settlement, Plan of Allocation and/or application for attorneys' fees and expenses. Your objection must be delivered to Canadian Class Counsel at the following address, no later than \_\_\_\_\_.

*Canadian Class Counsel:*

A. Dimitri Lascaris  
SISKINDS LLP  
680 Waterloo Street  
P.O. Box 2520  
London, ON N6A 3V8

Jay Strosberg  
SUTTS, STROSBERG LLP  
600 – 251 Goyeau Street  
Windsor, Ontario N9A 6V4

Canadian Class Counsel will ensure that your objection is filed with the Ontario Court and provided to counsel for the Defendants.

If you are a U.S. Class Member, you may object in the U.S. Action. To do so, you must send a signed letter saying that you object to the proposed Settlement, the Plan of Allocation and/or

application for attorneys' fees and expenses in *In re Canadian Superior Securities Litigation*, Master File No. 1:09-cv-10087-SAS. Be sure to include your name, address, telephone number and your signature, and identify and supply copies of documentation showing the date(s), price(s), and number(s) of Canadian Superior common shares purchased or otherwise acquired and sold between January 14, 2008 and February 17, 2009, inclusive, and on which exchange they were purchased, acquired and/or sold. In addition, state the reasons why you object to the Settlement, Plan of Allocation and/or application for attorneys' fees and expenses. Your objection must be delivered to U.S. Lead Plaintiff's Counsel and counsel for Defendants, and filed with the U.S. Court at the following addresses, ***no later than*** \_\_\_\_\_ to be effective.

*U.S. Lead Plaintiff's Counsel:*

David A. Rosenfeld  
ROBBINS GELLER RUDMAN  
& DOWD LLP  
58 South Service Road, Suite 200  
Melville, NY 11747

*Defendants' Counsel:*

Jamie A. Levitt  
MORRISON & FOERSTER, LLP  
1290 Avenue of the Americas  
New York, NY 10104

*The U.S. Court:*

CLERK OF THE COURT  
UNITED STATES DISTRICT COURT FOR  
THE SOUTHERN DISTRICT OF NEW YORK  
DANIEL PATRICK MOYNIHAN UNITED  
STATES COURTHOUSE  
500 Pearl Street  
New York, NY 10007

You do not need to attend any hearing of the Courts to have your objection considered.

However, if you wish to attend or to have a lawyer attend on your behalf at a hearing to address your

objection, you must indicate this intention in your objection letter and, if you intend to also seek to introduce evidence, provide the identity and an outline of the evidence of any witness you may seek to call to testify and documents you may seek to introduce. At the hearings conducted by the respective Courts to consider the Settlement, any Class Member for the respective Class certified by that Court who has not previously submitted a request for exclusion from the applicable Class and who has complied with the procedures set out in this Question 18 may appear and be heard, to the extent allowed by the applicable Court, to state any objection to the Settlement, the Plan of Allocation, or application for an award of attorneys' fees and expenses. Any such objector may appear in person or arrange, at his or her own expense, for a lawyer to represent him or her at any such hearing. A lawyer attending on behalf of an objector in the U.S. Action must timely file a Notice of Appearance by \_\_\_\_\_, 2011.

**19. What Is the Difference Between Objecting and Excluding?**

Objecting is simply telling the court that you do not like something about the Settlement. You can object only if you stay in your respective Class. Excluding yourself is telling the court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

**THE SETTLEMENT APPROVAL AND FAIRNESS HEARINGS IN THE CANADIAN COURT AND U.S. COURT**

The Canadian Court and the U.S. Court will each hold a separate hearing to consider whether to approve the Settlement. At or after those hearings, each Court will also decide whether to approve the Plan of Allocation of the Net Settlement Fund and the application for attorneys'/lawyers' fees and expenses made by each Plaintiffs' Counsel. You may attend the hearing held by the Court presiding over the Class of which you are a member, and you may ask to speak (as discussed in Question 18), but you do not have to.

**20. When and Where Will the Canadian Court and U.S. Court Decide Whether to Approve the Settlement?**

The U.S. Court will hold a fairness hearing on \_\_\_\_\_, 2011, at \_\_\_\_\_ .m., in Courtroom 15C of the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007.

The Ontario Court will hear the motion for approval of the Settlement and the Plan of Allocation of the Net Settlement Fund, as well as a motion for an order awarding Canadian Class Counsel's fees and expenses, on \_\_\_\_\_, 2011, at \_\_\_\_\_ .m., at the Ontario Superior Court of Justice, 80 Dundas Street, London, ON N6A 6A3.

At these respective hearings, the applicable Court will consider whether the Settlement is fair, reasonable and adequate and in the best interests of Class Members. Each Court will also consider at that time whether to approve the proposed Plan of Allocation of the Net Settlement Fund. The Ontario Court will further consider the fee and expense application by Canadian Class Counsel and the U.S. Court will consider the fee and expense application of the U.S. Lead Plaintiff's Counsel. If there are objections, the Courts will consider them, and the presiding judge may listen to people who have properly indicated, within the deadline identified in Question 18 above, an intention to speak at the hearing; however, all decisions regarding the conduct of the hearing(s) will be made by the appropriate presiding judge. The Courts may decide some or all of these issues at their respective hearings, or take them under consideration. We do not know how long these decisions will take.

Within 48 hours of the issuance of any such order, the orders made by the Courts granting or refusing approval of the Settlement will be posted by the Claims Administrator at [www.gilardi.com](http://www.gilardi.com), by Canadian Class Counsel at [www.classaction.ca](http://www.classaction.ca) or [www.jssbarristers.ca](http://www.jssbarristers.ca), and by U.S. Lead

Plaintiff's Counsel at [www.rgrdlaw.com](http://www.rgrdlaw.com). You may also contact the Claims Administrator by telephone to obtain a copy of any orders made following the hearings of the motions.

**21. Do I Have to Come to the Hearing?**

No. Plaintiffs' Counsel will answer any questions the Courts may have. You are welcome to attend at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mail your written objection on time, the appropriate Court will consider it.

Please be aware that the Courts may change the date and/or the time of the hearings without further notice to Class Members. If you want to come to a hearing, you should check with the appropriate Plaintiffs' Counsel beforehand to be sure that the date and/or time has not changed.

Class Members do not need to appear at a hearing or take any other action to indicate their approval of the matters being considered at the hearing.

**22. May I Speak at the Hearing?**

You may ask the applicable Court for permission to speak at the applicable hearing. If you wish to talk about your own objection, you must indicate this in the letter you send describing your objection pursuant to Question 18 above. If you intend to also introduce evidence at the hearing, you must also identify in your letter the information described in Question 18 above.

If you have hired or will hire a lawyer to attend on your behalf to address your objection, that lawyer must notify the parties indicated at Question 18 of his or her intention to appear to address your objection, and if you are a U.S. Class Member, serve and file a Notice of Appearance with the U.S. Court.

## IF YOU DO NOTHING

### 23. What Happens if I Do Nothing at All?

If you do nothing, you will get no money from this Settlement and you will be precluded from starting a lawsuit, continuing with a lawsuit, or being part of any other lawsuit against the Defendants and the other Released Parties in respect of the Settled Claims ever again. To share in the Net Settlement Fund, you must submit a Proof of Claim form (see Question 10). To start, continue, or be part of any other lawsuit against the Defendants and the other Released Parties concerning the Settled Claims you must have properly excluded yourself from the appropriate Class in accordance with the procedures set forth in this Notice (see Question 13).

## GETTING MORE INFORMATION

### 24. Are There More Details About the Settlement?

This Notice summarizes the proposed Settlement. More details are in the Settlement Agreement dated June 9, 2011 (the "Stipulation"). You can get a copy of the Stipulation by writing to Rick Nelson, c/o Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, California 92101-3301, A. Dimitri Lascaris, Siskinds LLP, 680 Waterloo Street, P.O. Box 2520, London, ON N6A 3V8, or Jay Strosberg, Sutts, Strosberg LLP, 600 – 251 Goyeau Street, Windsor, Ontario N9A 6V4.

You can also obtain a copy of the Stipulation by calling the Claims Administrator toll-free at

\_\_\_\_\_, or write to:

Canadian Address

U.S. Address

Claims Administrator

Claims Administrator

c/o \_\_\_\_\_

c/o \_\_\_\_\_

### 25. How Do I Get More Information?

The pleadings in the Canadian Actions are available for inspection in Court File No. 1358/10CP and Court File No. 1626CP at the Ontario Superior Court of Justice, 80 Dundas Street, London, ON N6A 6A3, and in Court File No. CV-10-14848 at the Ontario Superior Court of Justice, 245 Windsor Avenue, Windsor, ON N9A 1J2. The materials in the court file are available to be inspected on weekdays (other than holidays) between 8:30 a.m. and 5:00 p.m. By no later than \_\_\_\_\_, 2011, Canadian Class Counsel will file an affidavit from Canadian Representative Plaintiffs and an affidavit from one of the lawyers who participated in the carriage of this matter in support of the motion for approval of the Settlement. At that time, those materials will also be available for inspection in the court file.

For more detailed information concerning the matters involved in the U.S. Action, reference is made to the various pleadings, papers and orders filed in the U.S. Action, which may be inspected at the Office of the Clerk of the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007, on weekdays (other than court holidays) between 8:30 a.m. and 5:00 p.m.

#### **PLAN OF ALLOCATION OF THE NET SETTLEMENT FUND**

The Net Settlement Fund will be distributed in accordance with the Plan of Allocation described below to Class Members who submit valid, timely Proof of Claim forms to the Claims Administrator (“Authorized Claimants”). An Authorized Claimant will be eligible to participate in the distribution of the Net Settlement Fund only if he, she or it has a Recognized Loss on all transactions in Canadian Superior common stock during the Class Period.

To the extent there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant’s Recognized Loss. If, however, the amount in the Net Settlement Fund is not sufficient to permit payment of the Recognized Loss of

each Authorized Claimant (the more likely scenario), then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund, that each Authorized Claimant's Recognized Loss bears to the total of Recognized Losses of all Authorized Claimants. Payment in this manner shall be deemed conclusive against all Authorized Claimants.

**Canadian Superior Energy, Inc. Securities Litigation**  
**CUSIP: 136644101**

**Section 10(b) Claims for Common Stock Traded on U.S. Exchange**

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Class Period: January 14, 2008 – February 17, 2009

The allocation below is based on the following price declines as well as the statutory PSLRA 90-day look-back amount of \$0.47:

February 12, 2009 Price Decline:	\$0.40
February 17, 2009 Price Decline:	\$0.16

Proposed Allocation

- (1) For shares of Canadian Superior common stock ***purchased or otherwise acquired, on or between January 14, 2008 through February 11, 2009***, the claim per share shall be as follows:
  - a) If sold prior to February 12, 2009, the claim per share is zero.
  - b) If sold on February 12, 2009 through February 16, 2009, the claim per share shall be the lesser of (i) \$0.40 (February 12, 2009 Price Decline), or (ii) the difference between the purchase price and the selling price;
  - c) If retained at the end of February 16, 2009 and sold before May 18, 2009, the claim per share shall be the least of (i) \$0.56 (February 12, 2009 and February 17, 2009 Price Declines); or (ii) the difference between the purchase price and the selling price; or (iii) the difference between the purchase price per share and the average closing price per share up to the date of sale as set forth in the table below.
  - d) If retained, or sold, on or after May 18, 2009, the claim per share shall be the lesser of: (i) \$0.56 (February 12, 2009 and February 17, 2009 Price Declines), or (ii) the difference between the purchase price per share and \$0.47 per share.
- (2) For shares of Canadian Superior common stock ***purchased or otherwise acquired, on or between February 12, 2009 through February 16, 2009***, the claim per share shall be as

follows:

- a) If sold prior to February 17, 2009, the claim per share is zero.
  - b) If retained at the end of February 16, 2009 and sold before May 18, 2009, the claim per share shall be the least of (i) \$0.16 (February 17, 2009 Price Decline); or (ii) the difference between the purchase price and the selling price; or (iii) the difference between the purchase price per share and the average closing price per share up to the date of sale as set forth in the table below.
  - c) If retained, or sold, on or after May 18, 2009, the claim per share shall be the lesser of: (i) \$0.16 (February 17, 2009 Price Decline), or (ii) the difference between the purchase price per share and \$0.47 per share.
- (3) For shares of Canadian Superior common stock ***purchased or otherwise acquired, on February 17, 2009***, the claim per share shall be zero.

Note: Trading was halted for Canadian Superior's shares on the U.S. Exchange at times during the 90 days following the Class Period.

<b>Date</b>	<b>Closing Price</b>	<b>Average Closing Price</b>
18-Feb-09	\$0.29	\$0.29
19-Feb-09	\$0.35	\$0.32
20-Feb-09	\$0.36	\$0.33
23-Feb-09	\$0.38	\$0.35
24-Feb-09	\$0.39	\$0.35
25-Feb-09	\$0.39	\$0.36
26-Feb-09	\$0.38	\$0.36
27-Feb-09	\$0.36	\$0.36
2-Mar-09	\$0.37	\$0.36
3-Mar-09	\$0.41	\$0.37
4-Mar-09	\$0.39	\$0.37
5-Mar-09	\$0.34	\$0.37
6-Mar-09	\$0.21	\$0.36
9-Mar-09	\$0.22	\$0.35
11-Mar-09	\$0.19	\$0.34
24-Mar-09	\$0.48	\$0.34
21-Apr-09	\$0.48	\$0.35
6-May-09	\$0.69	\$0.37
7-May-09	\$0.69	\$0.39
8-May-09	\$0.73	\$0.41
11-May-09	\$0.73	\$0.42
12-May-09	\$0.69	\$0.43
13-May-09	\$0.62	\$0.44
14-May-09	\$0.64	\$0.45

15-May-09	\$0.64	\$0.46
18-May-09	\$0.67	\$0.47

**Section 10(b) Claims for Common Stock Traded on Toronto Exchange (All Amounts in U.S. Dollars)**

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Class Period: January 14, 2008 – February 17, 2009

The allocation below is based on the following price declines as well as the statutory PSLRA 90-day look-back amount of \$0.47:

February 12, 2009 Price Decline:	\$0.38
February 17, 2009 Price Decline:	\$0.17

Proposed Allocation

- (1) For shares of Canadian Superior common stock ***purchased or otherwise acquired, on or between January 14, 2008 through February 11, 2009***, the claim per share shall be as follows:
  - a) If sold prior to February 12, 2009, the claim per share is zero.
  - b) If sold on February 12, 2009 through February 16, 2009, the claim per share shall be the lesser of (i) \$0.38 (February 12, 2009 Price Decline), or (ii) the difference between the purchase price and the selling price;
  - c) If retained at the end of February 16, 2009 and sold before May 18, 2009, the claim per share shall be the least of (i) \$0.55 (February 12, 2009 and February 17, 2009 Price Declines); or (ii) the difference between the purchase price and the selling price; or (iii) the difference between the purchase price per share and the average closing price per share up to the date of sale as set forth in the table below.
  - d) If retained, or sold, on or after May 18, 2009, the claim per share shall be the lesser of: (i) \$0.55 (February 12, 2009 and February 17, 2009 Price Declines), or (ii) the difference between the purchase price per share and \$0.47 per share.
- (2) For shares of Canadian Superior common stock ***purchased or otherwise acquired, on or between February 12, 2009 through February 16, 2009***, the claim per share shall be as follows:
  - a) If sold prior to February 17, 2009, the claim per share is zero.
  - b) If retained at the end of February 16, 2009 and sold before May 18, 2009, the claim per share shall be the least of (i) \$0.17 (February 17, 2009 Price Decline); or (ii) the difference between the purchase price and the selling price; or (iii) the difference

between the purchase price per share and the average closing price per share up to the date of sale as set forth in the table below

c) If retained, or sold, on or after May 18, 2009, the claim per share shall be the lesser of: (i) \$0.17 (February 17, 2009 Price Decline), or (ii) the difference between the purchase price per share and \$0.47 per share.

- (3) For shares of Canadian Superior common stock ***purchased or otherwise acquired, on February 17, 2009***, the claim per share shall be zero.

<b>Date</b>	<b>Closing Price</b>	<b>Average Closing Price</b>
18-Feb-09	\$0.28	\$0.28
19-Feb-09	\$0.37	\$0.33
20-Feb-09	\$0.37	\$0.34
23-Feb-09	\$0.39	\$0.35
24-Feb-09	\$0.39	\$0.36
25-Feb-09	\$0.38	\$0.36
26-Feb-09	\$0.38	\$0.37
27-Feb-09	\$0.36	\$0.37
2-Mar-09	\$0.37	\$0.37
3-Mar-09	\$0.41	\$0.37
4-Mar-09	\$0.38	\$0.37
5-Mar-09	\$0.23	\$0.36
6-Mar-09	\$0.23	\$0.35
9-Mar-09	\$0.20	\$0.34
10-Mar-09	\$0.19	\$0.33
11-Mar-09	\$0.22	\$0.32
12-Mar-09	\$0.31	\$0.32
13-Mar-09	\$0.37	\$0.32
16-Mar-09	\$0.50	\$0.33
17-Mar-09	\$0.46	\$0.34
18-Mar-09	\$0.40	\$0.34
19-Mar-09	\$0.48	\$0.35
20-Mar-09	\$0.45	\$0.35
23-Mar-09	\$0.44	\$0.36
24-Mar-09	\$0.46	\$0.36
25-Mar-09	\$0.46	\$0.36
26-Mar-09	\$0.49	\$0.37
27-Mar-09	\$0.49	\$0.37
30-Mar-09	\$0.45	\$0.38
31-Mar-09	\$0.47	\$0.38
1-Apr-09	\$0.44	\$0.38
2-Apr-09	\$0.44	\$0.38
3-Apr-09	\$0.45	\$0.39
6-Apr-09	\$0.48	\$0.39
7-Apr-09	\$0.48	\$0.39

8-Apr-09	\$0.45	\$0.39
9-Apr-09	\$0.50	\$0.40
13-Apr-09	\$0.48	\$0.40
14-Apr-09	\$0.48	\$0.40
15-Apr-09	\$0.49	\$0.40
16-Apr-09	\$0.47	\$0.40
17-Apr-09	\$0.47	\$0.41
20-Apr-09	\$0.47	\$0.41
21-Apr-09	\$0.46	\$0.41
22-Apr-09	\$0.47	\$0.41
23-Apr-09	\$0.49	\$0.41
24-Apr-09	\$0.49	\$0.41
27-Apr-09	\$0.46	\$0.41
28-Apr-09	\$0.53	\$0.42
29-Apr-09	\$0.72	\$0.42
30-Apr-09	\$0.70	\$0.43
1-May-09	\$0.71	\$0.43
4-May-09	\$0.66	\$0.44
5-May-09	\$0.71	\$0.44
6-May-09	\$0.68	\$0.45
7-May-09	\$0.70	\$0.45
8-May-09	\$0.72	\$0.46
11-May-09	\$0.72	\$0.46
12-May-09	\$0.70	\$0.46
13-May-09	\$0.63	\$0.47
14-May-09	\$0.63	\$0.47
15-May-09	\$0.63	\$0.47
18-May-09	\$0.63	\$0.47

Once the values of the approved claims of all Authorized Claimants have been calculated, the Claims Administrator will allocate the Net Settlement Fund to approved claims of persons who conducted transactions during the Class Period. Canadian Class Members' claims will be paid in Canadian dollars and U.S. Class Members' claims will be paid in United States dollars.

For Class Members who held Canadian Superior common stock at the beginning of the Class Period or made multiple purchases or sales during the Class Period, the first-in, first-out ("FIFO") method will be applied to such holdings, purchases, acquisitions and sales for purposes of calculating a claim. Under the FIFO method, sales of securities during the Class Period will be matched, in chronological order, first against common stock held at the beginning of the Class

Period. The remaining sales of common stock during the Class Period will then be matched, in chronological order, against common stock purchased or acquired during the Class Period.

A Class Member will be eligible to receive a distribution from the Net Settlement Fund only if a Class Member had a Recognized Loss, after all profits from transactions in Canadian Superior common stock during the Class Period are subtracted from all losses. A purchase, acquisition or sale of Canadian Superior common stock shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date. “Short” sales of Canadian Superior common stock shall not be recognized for any amount of loss on the cover, purchase or closing transaction.

No distributions will be made to Authorized Claimants who would otherwise receive less than USD\$10.00.

The Courts have jurisdiction to allow, disallow or adjust the claim of any Class Member on equitable grounds. The Courts may also modify this Plan of Allocation in the interests of justice without further notice to Class Members. Payment pursuant to the Plan of Allocation set forth above shall be conclusive against all Authorized Claimants. No person shall have any claim or cause of action against Plaintiffs’ Counsel, the Defendants, the Claims Administrator, or other person designated by the Courts, based on distributions made substantially in accordance with this Plan of Allocation, or such alternative plan of allocation in respect of the Settlement that may be approved by the Courts.

#### **SPECIAL NOTICE TO BANKS, BROKERS AND OTHER NOMINEES**

If you held Canadian Superior common stock purchased or otherwise acquired between January 14, 2008 and February 17, 2009, inclusive, as nominee for a beneficial owner, then WITHIN 7 (SEVEN) BUSINESS DAYS OF YOUR RECEIPT OF THIS NOTICE, you must either (1) send a

copy of this Notice and Proof of Claim form by first class mail to all beneficial owners; or (2) provide a list of the names and addresses of beneficial owners to the Claims Administrator at:

Canadian Address

U.S. Address

Claims Administrator

c/o \_\_\_\_\_

Claims Administrator

c/o \_\_\_\_\_

If you choose to mail the Notice and Proof of Claim yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing. Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for, or advancement of, reasonable administrative costs actually incurred or expected to be incurred in connection with forwarding the Notice and Proof of Claim and which would not have been incurred but for the obligation to forward the Notice and Proof of Claim, upon submission of appropriate documentation to the Claims Administrator.

***PLEASE DO NOT CONTACT EITHER OF THE COURTS REGARDING THIS NOTICE.  
DIRECT ALL OF YOUR QUESTIONS TO THE CLAIMS ADMINISTRATOR OR  
PLAINTIFFS' COUNSEL.***

DATED: \_\_\_\_\_, 2011

BY ORDER OF THE ONTARIO SUPERIOR  
COURT OF JUSTICE AND BY ORDER OF  
THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF NEW  
YORK

## EXHIBIT G

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

	x
In re CANADIAN SUPERIOR SECURITIES LITIGATION	: Master File No. 1:09-cv-10087-SAS
	:
	: <u>CLASS ACTION</u>
	:
This Document Relates To:	: SUMMARY NOTICE OF PENDENCY AND
	: CERTIFICATION OF CLASS ACTIONS,
ALL ACTIONS.	: PROPOSED SETTLEMENT AND
	: SETTLEMENT APPROVAL/FAIRNESS
	x HEARINGS
	EXHIBIT G

Court File No.: 1626CP

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

BETWEEN

DOUGLAS DEVLIN, *et al.*

Plaintiffs

- and -

GREG S. NOVAL, LEIGH BILTON, MICHAEL E. COOLEN,  
CHARLES DALLAS, THOMAS J. HARP, CRAIG MCKENZIE, ALEXANDER SQUIRES,  
ROBB D. THOMPSON, RICHARD WATKINS, LEIF SNETHUN,  
SONDE RESOURCES CORP. (f.k.a. CANADIAN SUPERIOR ENERGY INC.) and  
CHALLENGER ENERGY CORP.

## Defendants

Proceeding under the *Class Proceedings Act, 1992*

[Caption continued on following page.]

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

B E T W E E N

DOUGLAS DEVLIN

Plaintiffs

- and -

GREG S. NOVAL, LEIGH BILTON, MICHAEL E. COOLEN,  
CHARLES DALLAS, THOMAS J. HARP, CRAIG MCKENZIE, ALEXANDER SQUIRES,  
ROBB D. THOMPSON, RICHARD WATKINS, LEIF SNETHUN,  
CANADIAN SUPERIOR ENERGY INC. and  
CHALLENGER ENERGY CORP.

Defendants

Proceeding under the *Class Proceedings Act, 1992*

Court File No.: CV-10-14848

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

B E T W E E N

ROBERT RAE

Plaintiff

- and -

GREGORY S. NOVAL, CRAIG MCKENZIE,  
MICHAEL E. COOLEN, ROBB THOMPSON and ALEXANDER SQUIRES

Defendants

Proceedings under the *Class Proceedings Act, 1992*

TO: ALL PERSONS WHO PURCHASED OR OTHERWISE ACQUIRED CANADIAN SUPERIOR COMMON STOCK BETWEEN JANUARY 14, 2008 AND FEBRUARY 17, 2009, INCLUSIVE (THE "CLASS PERIOD"), OTHER THAN EXCLUDED PERSONS (THE "CLASS").

PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED BY A PROPOSED SETTLEMENT OF THESE LAWSUITS.

This Summary Notice relates to the following actions: *Devlin v. Noval, et al.*, Court File No. 1358/10CP, *Devlin, et al. v. Noval, et al.*, Court File No. 1626CP, and *Rae v. Noval, et al.*, Court File No. CV-10-14848 (the "Canadian Actions"), in the Ontario Superior Court of Justice (the "Ontario Court"); and *In re Canadian Superior Securities Litigation*, Master File No. 1:09-cv-10087-SAS (the "U.S. Action" and, together with the Canadian Actions, the "Actions"), in the United States District Court for the Southern District of New York (the "U.S. Court").

#### **PROPOSED SETTLEMENT**

The parties to the Actions have agreed to settle the Actions on behalf of the Class for USD\$5,200,000 plus accrued interest (the "Settlement"). The Settlement will constitute a full and final resolution of all claims and causes of action raised, or which could have been raised, in the Actions (including known and unknown claims related to the facts referred to in the Actions) by Class Members against the Defendants and others, as provided in the Settlement Agreement dated June 9, 2011 (the "Stipulation"). A copy of the Stipulation may be reviewed at [www.classaction.ca](http://www.classaction.ca), [www.jssbarristers.ca](http://www.jssbarristers.ca), or [www.rgrdlaw.com](http://www.rgrdlaw.com), or obtained by mail from the Claims Administrator by writing to the addresses listed below.

For purposes of the Settlement only, the U.S. Court and the Ontario Court have respectively certified the U.S. Action and the Canadian Actions as class actions. The Class described above represents the combined classes certified by the Courts for the purpose of this Settlement only. The class certified by the Ontario Court consists of all individuals or entities, other than specified

excluded persons, who purchased or otherwise acquired the common stock of Canadian Superior during the Class Period on the Toronto Stock Exchange (the "Canadian Class"). The class certified by the U.S. Court is comprised of all individuals and entities who purchased or otherwise acquired Canadian Superior common stock during the Class Period other than specified excluded persons and members of the Canadian Class (the "U.S. Class"). Persons specifically excluded from the Class are identified in the Stipulation and in the Notice of Pendency and Certification of Class Actions, Proposed Settlement and Settlement Approval/Fairness Hearings (the "Long Form Notice"), which you can obtain by following the instructions at the end of this notice.

#### **NOTICE OF SETTLEMENT HEARINGS & MOTIONS FOR FEES AND EXPENSES**

The Settlement is contingent on approval of both of the Courts. The U.S. Court will hold a hearing on \_\_\_\_\_, 2011, at \_\_\_\_\_.m., in Courtroom 15C of the Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, New York 10007, before the Honorable Shira A. Scheindlin, United States District Judge, in respect of the U.S. Class. The Ontario Court will hold a hearing on \_\_\_\_\_, 2011, at \_\_\_\_\_.m., in the Ontario Superior Court of Justice, 80 Dundas Street, London, Ontario N6A 6A3, before the Honourable Justice Rady in respect of the Canadian Class.

Each hearing will be for the purpose of determining: (1) whether the Settlement should be approved as fair, reasonable and adequate and in the best interests of the respective Class Members; (2) whether, thereafter, the Actions should be dismissed with prejudice against the Defendants; and (3) whether the proposed plan of allocation of the net settlement proceeds is fair and reasonable and should be approved. Concurrently, Canadian Class Counsel and U.S. Lead Plaintiff's Counsel (both defined below) will apply to the respective Courts for awards of legal fees and expenses incurred in

connection with the Actions. The Courts expressly reserve the right to adjourn the hearings from time to time without any further written notice to the Class.

Full instructions concerning your rights to participate in the Settlement or to object to the approval of the Settlement, the proposed plan of allocation of the settlement proceeds and/or to the fees and expenses sought by class counsel are contained in Long Form Notice.

## **OBJECTIONS**

Objections should be sent to counsel (and for members of the U.S. Class only, to the U.S. Court as well) in the manner described in the Long Form Notice, and must be received no later than \_\_\_\_\_, 2011, to be effective.

## **OPTING OUT**

If you are a member of the Class described above, your rights will be affected by the Settlement, if approved, and you will be bound by the terms of any Court order concerning the Actions, including releases of certain claims against the Defendants and others, unless you take steps to exclude yourself from the applicable class in the Canadian Actions or the U.S. Action. If you wish to exclude yourself, you must mail a letter to the Claims Administrator stating you want to be excluded from your class in the manner described in the Long Form Notice. The letter must include your name, address, telephone number and signature and identify the number(s) of Canadian Superior common shares you purchased or otherwise acquired during the Class Period, the stock exchange on which such securities were purchased, the number of Canadian Superior common shares sold during this period, if any, and the dates of such purchases and sales. The letter must be accompanied by broker confirmations or other documentation evidencing the transactions in Canadian Superior common stock during the Class Period. Requests for exclusion, to be effective, must be postmarked no later than \_\_\_\_\_, 2011.

## REQUIRED PROOF OF CLAIM TO SHARE IN SETTLEMENT

In order to be eligible for a distribution pursuant to the Settlement, if approved by the Courts, you must submit a Proof of Claim form to the Claims Administrator in the manner described in the Long Form Notice postmarked no later than \_\_\_\_\_, 2011. If you do not return a signed and properly completed Proof of Claim form, you will still be bound by any judgment of the applicable Court even though you will not share in the settlement proceeds. Proof of Claim forms may be obtained as described below.

## FOR MORE INFORMATION

This notice provides only a summary of matters concerning the Actions and the proposed Settlement. The Long Form Notice and Proof of Claim form, which have been mailed to Class Members, contain additional important information regarding the Settlement and related matters affecting Class Members' rights. If you have not yet received these materials you may obtain copies free of charge by contacting the Claims Administrator:

Canadian Address

U.S. Address

*Canadian Superior Securities Litigation*  
Claims Administrator  
c/o \_\_\_\_\_

*Canadian Superior Securities Litigation*  
Claims Administrator  
c/o \_\_\_\_\_

Website address: [www.\\_\\_\\_\\_\\_](http://www._____.com) and toll-free 1-\_\_\_\_\_.

Inquiries, other than requests for the Long Form Notice and Proof of Claim form, may be made to: *Canadian Class Counsel*: A. Dimitri Lascaris, Siskinds LLP, 680 Waterloo Street, London, ON N6A 3V8, (800) 461-6166 ext. 2380, [www.siskinds.com](http://www.siskinds.com); Jay Strosberg, Sutts, Strosberg LLP, 600 – 251 Goyeau Street, Windsor, Ontario N9A 6V4, (519) 561-6285, [www.strosbergco.com](http://www.strosbergco.com); *U.S. Lead Plaintiff's Counsel*: David A. Rosenfeld, Robbins Geller Rudman & Dowd LLP, 58 South Service Road, Suite 200, Melville, NY 11747, (800) 449-4900, [www.rgrdlaw.com](http://www.rgrdlaw.com).

Employees of the Courts cannot answer questions about the Actions. Please direct all questions to the Claims Administrator or Canadian Class Counsel or U.S. Lead Plaintiff's Counsel.

DATED: \_\_\_\_\_, 2011

BY ORDER OF THE ONTARIO SUPERIOR  
COURT OF JUSTICE AND BY ORDER OF THE  
UNITED STATES DISTRICT COURT FOR THE  
SOUTHERN DISTRICT OF NEW YORK

## EXHIBIT H

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

_____	X	
In re CANADIAN SUPERIOR SECURITIES	:	Master File No. 1:09-cv-10087-SAS
LITIGATION	:	
_____	:	<u>CLASS ACTION</u>
This Document Relates To:	:	
	:	PROOF OF CLAIM AND RELEASE
ALL ACTIONS.	:	
_____	:	EXHIBIT H
	X	

Court File No.: 1626CP

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

B E T W E E N

DOUGLAS DEVLIN, *et al.*

Plaintiffs

- and -

GREG S. NOVAL, LEIGH BILTON, MICHAEL E. COOLEN,  
CHARLES DALLAS, THOMAS J. HARP, CRAIG MCKENZIE, ALEXANDER SQUIRES,  
ROBB D. THOMPSON, RICHARD WATKINS, LEIF SNETHUN,  
SONDE RESOURCES CORP. (f.k.a. CANADIAN SUPERIOR ENERGY INC.) and  
CHALLENGER ENERGY CORP.

Defendants

Proceeding under the *Class Proceedings Act, 1992*

[Caption continued on following page.]

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

B E T W E E N

DOUGLAS DEVLIN

Plaintiffs

- and -

GREG S. NOVAL, LEIGH BILTON, MICHAEL E. COOLEN,  
CHARLES DALLAS, THOMAS J. HARP, CRAIG MCKENZIE, ALEXANDER SQUIRES,  
ROBB D. THOMPSON, RICHARD WATKINS, LEIF SNETHUN,  
CANADIAN SUPERIOR ENERGY INC. and  
CHALLENGER ENERGY CORP.

Defendants

Proceeding under the *Class Proceedings Act, 1992*

Court File No.: CV-10-14848

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

B E T W E E N

ROBERT RAE

Plaintiff

- and -

GREGORY S. NOVAL, CRAIG MCKENZIE,  
MICHAEL E. COOLEN, ROBB THOMPSON and ALEXANDER SQUIRES

Defendants

Proceedings under the *Class Proceedings Act, 1992*

## **I. GENERAL INSTRUCTIONS**

To recover as a member of the class based on your claims in the actions entitled *In re Canadian Superior Securities Litigation*, Master File No. 1:09-cv-10087-SAS, *Devlin v. Noval, et al.*, Court File No. 1358/10CP, *Devlin, et al. v. Noval, et al.*, Court File No. 1626CP, and *Rae v. Noval, et al.*, Court File No. CV-10-14848 (collectively, the “Actions”), you must complete and, on page \_\_\_\_ hereof, sign this Proof of Claim and Release. If you fail to file a properly addressed (as set forth below) Proof of Claim and Release, your claim may be rejected and you may be precluded from any recovery from the settlement fund created in connection with the proposed settlement of the Actions.

Submission of this Proof of Claim and Release, however, does not assure that you will share in the proceeds of the settlement of the Actions.

**YOU MUST MAIL YOUR COMPLETED AND SIGNED PROOF OF CLAIM AND RELEASE POSTMARKED ON OR BEFORE \_\_\_\_\_, 2011, ADDRESSED AS FOLLOWS:**

*Canadian Superior Securities Litigation*  
Claims Administrator  
c/o \_\_\_\_\_  
INSERT

If you are NOT a member of a Class (as defined in the Notice of Pendency and Certification of Class Actions, Proposed Settlement and Settlement Approval/Fairness Hearing (“Notice”)) DO NOT submit a Proof of Claim and Release form.

If you are a member of a Class and you did not timely request exclusion in connection with the proposed settlement, you are bound by the terms of any judgment entered in the Actions, including the releases provided therein, WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM AND RELEASE.

## II. DEFINITIONS

All capitalized terms used, but not defined, herein shall have the meanings ascribed to them in the Notice. In addition, the following terms shall have the following meanings:

1. “Defendants” means Gregory S. Noval, Michael E. Coolen, Craig McKenzie, Leif Snethun, Leigh Bilton, Charles Dallas, Thomas J. Harp, Alexander Squires, Robb D. Thompson, Richard Watkins, Sonde Resources Corp. (f/k/a Canadian Superior Energy Inc.) (“Sonde” or “Canadian Superior”), and Challenger Energy Corp. (“Challenger”).

2. “Released Parties” means any and all of the Defendants, and each of their respective present and former parents, subsidiaries, affiliates, officers, directors, employees, general or limited partners or partnerships, foundations, trusts, principals, trustees, attorneys, legal counsel, auditors, accountants, investment bankers, consultants, agents, insurers (including Defendants’ Insurers), co-insurers, heirs, executors, administrators, predecessors, successors and assigns.

3. “Settled Claims” means any and all claims, debts, demands, rights, actions, causes of action, suits, matters, issues, damages, losses or liabilities whatsoever (including, but not limited to, any claims for interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses or liability whatsoever), whether based on United States or Canadian federal, state, provincial, local, statutory or common law or any other law, rule or regulation, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, whether class or individual in nature, including both known claims and Unknown Claims (as defined herein) (i) that have been asserted in any of the Actions against any of the Released Parties; or (ii) that could have been asserted in any forum by the Class Members or any of them (as purchasers of Canadian Superior common stock during the Class Period) against any of the Released Parties which arise out of or are based upon the allegations, transactions, facts, matters, breaches, occurrences, financial

statements, statements, representations or omissions involved, set forth, or referred to in the Actions (except that Settled Claims does not include claims, rights or causes of action or liabilities whatsoever (i) to enforce the Settlement; and (ii) for breach or violation of any of the terms of the Stipulation or orders or judgments issued by the Courts in connection with the Settlement or confidentiality obligations with respect to settlement communications).

(a) "Unknown Claims" means any and all Settled Claims which any of the Plaintiffs or the Class Members do not know or suspect to exist in their favor at the time of the Effective Date, and any Settled Defendants' Claims which any Defendant does not know or suspect to exist in his or its favor at the time of the Effective Date which if known might have affected the decisions with respect to the Settlement and releases therein. With respect to any and all Settled Claims and Settled Defendants' Claims, the parties stipulate and agree that, upon the Effective Date, Plaintiffs and Defendants shall expressly waive, and each Class Member shall be deemed to have waived, and by operation of the judgments shall have expressly waived, any and all provisions, rights and benefits conferred by any law of any state, province, or territory of the United States or Canada, or principle of common law or otherwise, which provides that a general release does not extend to claims which a creditor or releasor does not know or suspect to exist in their favor at the time of executing the release which, if known, might have materially affected their settlement and release of individuals and persons, including any provisions, rights or benefits under California Civil Code §1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in her or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Plaintiffs and Class Members may hereinafter discover facts in addition to, or different from, those which they now know or believe to be true with respect to the subject matter of the Settled Claims,

but Plaintiffs shall expressly fully, finally, and forever settle and release, and each Class Member, upon the Effective Date, shall be deemed to have and, by operation of the judgments shall have, fully, finally, and forever settled and released any and all Settled Claims. Plaintiffs and Defendants acknowledge, and Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of “Unknown Claims” in the definition of Settled Claims and Settled Defendants’ Claims was separately bargained for and was a key element of the Settlement. Defendants may hereinafter discover facts in addition to, or different from, those which they know or believe to be true with respect to the subject matter of the Settled Defendants’ Claims, but Defendants shall expressly fully, finally, and forever settle and release any and all Settled Defendants’ Claims.

### **III. CLAIMANT IDENTIFICATION**

If you purchased or acquired Canadian Superior common stock and held the certificate(s) in your name, you are the beneficial purchaser or acquirer as well as the record purchaser or acquirer. If, however, you purchased or acquired Canadian Superior common stock and the certificate(s) were registered in the name of a third party, such as a nominee or brokerage firm, you are the beneficial purchaser or acquirer and the third party is the record purchaser or acquirer.

Use Part I of this form entitled “Claimant Identification” to identify each purchaser or acquirer of record (“nominee”), if different from the beneficial purchaser or acquirer of Canadian Superior common stock which forms the basis of this claim. **THIS CLAIM MUST BE FILED BY THE ACTUAL BENEFICIAL PURCHASER(S) OR ACQUIRER(S), OR THE LEGAL REPRESENTATIVE OF SUCH PURCHASER(S) OR ACQUIRER(S), OF THE CANADIAN SUPERIOR COMMON STOCK UPON WHICH THIS CLAIM IS BASED.**

All joint purchasers and acquirers must sign this claim. Executors, administrators, guardians, conservators and trustees must complete and sign this claim on behalf of persons represented by

them and their authority must accompany this claim and their titles or capacities must be stated. The Social Security or Social Insurance (or taxpayer identification) number and telephone number of the beneficial owner may be used in verifying the claim. Failure to provide the foregoing information could delay verification of your claim or result in rejection of the claim.

#### **IV. CLAIM FORM**

Use Part II of this form entitled “Schedule of Transactions in Canadian Superior Common Stock” to supply all required details of your transaction(s) in Canadian Superior common stock. If you need more space or additional schedules, attach separate sheets giving all of the required information in substantially the same form. Sign and print or type your name on each additional sheet.

On the schedules, provide all of the requested information with respect to *all* of your purchases or acquisitions and *all* of your sales of Canadian Superior common stock which took place at any time between January 14, 2008 and February 17, 2009, inclusive (the “Class Period”), whether such transactions resulted in a profit or a loss. You must also provide all of the requested information with respect to *all* of the Canadian Superior common stock you held at the close of trading on January 13, 2008, and at the close of trading on February 17, 2009. Failure to report all such transactions may result in the rejection of your claim.

List each transaction in the Class Period separately and in chronological order, by trade date, beginning with the earliest. You must accurately provide the month, day and year of each transaction you list.

The date of covering a “short sale” is deemed to be the date of purchase of Canadian Superior common stock. The date of a “short sale” is deemed to be the date of sale of Canadian Superior common stock.

Copies of broker confirmations or other documentation of your transactions in Canadian Superior common stock should be attached to your claim. Failure to provide this documentation could delay verification of your claim or result in rejection of your claim.

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK  
*In re Canadian Superior Securities Litigation.*  
Master File No. 1:09-cv-10087-SAS

ONTARIO SUPERIOR COURT OF JUSTICE

*Devlin v. Noval, et al.,*  
Court File No. 1358/10CP,  
*Devlin, et al. v. Noval, et al.,*  
Court File No. 1626CP,  
*Rae v. Noval, et al.,*  
Court File No. CV-10-14848

PROOF OF CLAIM AND RELEASE

Must be Postmarked No Later Than:

Please Type or Print

PART I: CLAIMANT IDENTIFICATION

Beneficial Owner's Name (First, Middle, Last)

Street Address

City

State

Zip Code

Province

Country

Social Security Number,  
Taxpayer Identification Number,  
or Social Insurance Number

Individual  
Corporation/Other

Area Code

Telephone Number (work)

Area Code

Telephone Number (home)

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Record Owner's Name (if different from beneficial owner listed above)

**PART II: SCHEDULE OF TRANSACTIONS IN CANADIAN SUPERIOR COMMON STOCK**

- A. Number of shares of Canadian Superior common stock held at the close of trading on January 13, 2008: \_\_\_\_\_
- B. Purchases or Acquisitions (January 14, 2008 – February 17, 2009, inclusive) of Canadian Superior common stock:

Exchange on Which you Purchased or Acquired Canadian Superior Common Stock	Trade Date Month Day Year	Number of Shares Purchased or Acquired	Total Purchase or Acquisition Price (U.S. \$ or Canadian \$)
1.	1.	1.	1.
2.	2.	2.	2.
3.	3.	3.	3.

**IMPORTANT:** Identify by number listed above all purchases in which you covered a “short sale”: \_\_\_\_\_

- C. Sales (January 14, 2008 – February 17, 2009, inclusive) of Canadian Superior common stock:

Exchange on Which you Sold Canadian Superior Common Stock	Trade Date Month Day Year	Number of Shares Sold	Total Sales Price (U.S. \$ or Canadian \$)
1.	1.	1.	1.
2.	2.	2.	2.
3.	3.	3.	3.

- D. Number and type of shares of Canadian Superior common stock held at close of trading on February 17, 2009: \_\_\_\_\_

If you require additional space, attach extra schedules in the same format as above. Sign and print your name on each additional page.

**YOU MUST READ THE RELEASE AND YOUR SIGNATURE ON PAGE \_\_ WILL CONSTITUTE YOUR ACKNOWLEDGMENT OF THE RELEASE.**

**V. SUBMISSION TO JURISDICTION OF COURT AND  
ACKNOWLEDGMENTS**

I (We) submit this Proof of Claim and Release under the terms of the Settlement Agreement described in the Notice. I (We) also submit to either the jurisdiction of the United States District Court for the Southern District of New York or the Ontario Superior Court of Justice, with respect to my (our) claim as a Class Member and for purposes of enforcing the release set forth herein. I (We) further acknowledge that I am (we are) bound by and subject to the terms of any judgment that may be entered in the Actions. I (We) agree to furnish additional information to the Claims Administrator to support this claim (including transactions in other Canadian Superior securities such as options) if requested to do so. I (We) have not submitted any other claim covering the same purchases, acquisitions or sales of Canadian Superior common stock during the Class Period and know of no other person having done so on my (our) behalf.

**VI. RELEASE**

I (We) hereby acknowledge full and complete satisfaction of, and do hereby fully, finally and forever settle, release and discharge from the Settled Claims, defined as any and all claims, debts, demands, rights, actions, causes of action, suits, matters, issues, damages, losses or liabilities whatsoever (including, but not limited to, any claims for interest, attorneys' fees, expert or consulting fees, and any other costs, expenses or liability whatsoever), whether based on United States or Canadian federal, state, provincial, local, statutory or common law or any other law, rule or regulation, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, whether class or individual in nature, including both known claims and Unknown Claims (as defined herein) (i) that have been asserted in any of the Actions against any of the Released Parties; or (ii) that could have been asserted in any forum by the Class Members or any of them (as purchasers of Canadian Superior common stock during the Class Period) against

any of the Released Parties which arise out of or are based upon the allegations, transactions, facts, matters, breaches, occurrences, financial statements, statements, representations or omissions involved, set forth, or referred to in the Actions (except that Settled Claims does not include claims, rights or causes of action or liabilities whatsoever (i) to enforce the Settlement; and (ii) for breach or violation of any of the terms of the Stipulation or orders or judgments issued by the Courts in connection with the Settlement or confidentiality obligations with respect to settlement communications), each and all of the Released Parties, defined as any and all of the Defendants, and each of their respective present and former parents, subsidiaries, affiliates, officers, directors, employees, general or limited partners or partnerships, foundations, trusts, principals, trustees, attorneys, legal counsel, auditors, accountants, investment bankers, consultants, agents, insurers (including Defendants' Insurers), co-insurers, heirs, executors, administrators, predecessors, successors and assigns.

"Defendants" means Gregory S. Noval, Michael E. Coolen, Craig McKenzie, Leif Snethun, Leigh Bilton, Charles Dallas, Thomas J. Harp, Alexander Squires, Robb D. Thompson, Richard Watkins, Sonde Resources Corp. (f/k/a Canadian Superior Energy Inc.) ("Sonde" or "Canadian Superior"), and Challenger Energy Corp. ("Challenger")

"Released Parties" means any and all of the Defendants, and each of their respective present and former parents, subsidiaries, affiliates, officers, directors, employees, general or limited partners or partnerships, foundations, trusts, principals, trustees, attorneys, legal counsel, auditors, accountants, investment bankers, consultants, agents, insurers (including Defendants' Insurers), co-insurers, heirs, executors, administrators, predecessors, successors and assigns.

"Settled Claims" means any and all claims, debts, demands, rights, actions, causes of action, suits, matters, issues, damages, losses or liabilities whatsoever (including, but not limited to, any

claims for interest, attorneys' fees, expert or consulting fees, and any other costs, expenses or liability whatsoever), whether based on United States or Canadian federal, state, provincial, local, statutory or common law or any other law, rule or regulation, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, whether class or individual in nature, including both known claims and Unknown Claims (as defined herein) (i) that have been asserted in any of the Actions against any of the Released Parties; or (ii) that could have been asserted in any forum by the Class Members or any of them (as purchasers of Canadian Superior common stock during the Class Period) against any of the Released Parties which arise out of or are based upon the allegations, transactions, facts, matters, breaches, occurrences, financial statements, statements, representations or omissions involved, set forth, or referred to in the Actions (except that Settled Claim does not include claims, rights or causes of action or liabilities whatsoever (i) to enforce the Settlement; and (ii) for breach or violation of any of the terms of the Stipulation or orders or judgments issued by the Courts in connection with the Settlement or confidentiality obligations with respect to settlement communications).

(b) "Unknown Claims" means any and all Settled Claims which any of the Plaintiffs or the Class Members do not know or suspect to exist in their favor at the time of the Effective Date, and any Settled Defendants' Claims which any Defendant does not know or suspect to exist in his or its favor at the time of the Effective Date which if known might have affected the decisions with respect to the Settlement and releases therein. With respect to any and all Settled Claims and Settled Defendants' Claims, the parties stipulate and agree that, upon the Effective Date, Plaintiffs and Defendants shall expressly waive, and each Class Member shall be deemed to have waived, and by operation of the judgments shall have expressly waived, any and all provisions, rights and benefits conferred by any law of any state, province, or territory of the United States or

Canada, or principle of common law or otherwise, which provides that a general release does not extend to claims which a creditor or releasor does not know or suspect to exist in their favor at the time of executing the release which, if known, might have materially affected their settlement and release of individuals and persons, including any provisions, rights or benefits under California Civil Code §1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in her or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Plaintiffs and Class Members may hereinafter discover facts in addition to, or different from, those which they now know or believe to be true with respect to the subject matter of the Settled Claims, but Plaintiffs shall expressly fully, finally, and forever settle and release, and each Class Member, upon the Effective Date, shall be deemed to have and, by operation of the judgments shall have, fully, finally, and forever settled and released any and all Settled Claims. Plaintiffs and Defendants acknowledge, and Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of "Unknown Claims" in the definition of Settled Claims and Settled Defendants' Claims was separately bargained for and was a key element of the Settlement. Defendants may hereinafter discover facts in addition to, or different from, those which they know or believe to be true with respect to the subject matter of the Settled Defendants' Claims, but Defendants shall expressly fully, finally, and forever settle and release any and all Settled Defendants' Claims.

This release shall be of no force or effect unless and until the Courts approve the Stipulation and the Stipulation becomes effective on the Effective Date (as defined in the Stipulation).

I (We) hereby warrant and represent that I (we) have not assigned or transferred or purported to assign or transfer, voluntarily or involuntarily, any matter released pursuant to this release or any other part or portion thereof.

I (We) hereby warrant and represent that I (we) have included information about all of my (our) transactions in Canadian Superior common stock which occurred during the Class Period as well as the number of shares of Canadian Superior common stock held by me (us) at the close of trading on January 13, 2008 and at the close of trading on February 17, 2009.

I (We) certify that I am (we are) not subject to backup withholding under the provisions of Section 3406(a)(1)(C) of the United States Internal Revenue Code.

Note: If you have been notified by the United States Internal Revenue Service that you are subject to backup withholding, please strike out the language that you are not subject to backup withholding in the certification above.

I (We) declare under penalty of perjury under the laws of the United States of America or Canada that the foregoing information supplied by the undersigned is true and correct.

Executed this \_\_\_\_\_ day of \_\_\_\_\_  
(Month/Year)  
in \_\_\_\_\_  
(City) (State or Province/Country)

\_\_\_\_\_  
(Sign your name here)

\_\_\_\_\_  
(Type or print your name here)

\_\_\_\_\_  
(Capacity of person(s) signing,  
e.g., Beneficial Purchaser, Acquirer  
Executor or Administrator)

**ACCURATE CLAIMS PROCESSING TAKES A  
SIGNIFICANT AMOUNT OF TIME.  
THANK YOU FOR YOUR PATIENCE.**

**Reminder Checklist:**

1. Please sign the above release and declaration.
2. Remember to attach supporting documentation, if available.
3. Do not send original stock certificates.
4. Keep a copy of your claim form for your records.
5. If you desire an acknowledgment of receipt of your claim form, please send it Certified Mail, Return Receipt Requested.
6. If you move, please send us your new address.