

COURT FILE NUMBER 1803-21971
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE EDMONTON



IN THE MATTER OF THE BANKRUPTCY
AND INSOLVENCY OF 1119658 ALBERTA
LTD. and 101285461 SASKATCHEWAN LTD.

PLAINTIFF BUSINESS DEVELOPMENT BANK OF
CANADA

DEFENDANTS 1119658 ALBERTA LTD. and 101285461
SASKATCHEWAN LTD.

APPLICANT HARDIE & KELLY INC. in its capacity as the
Court-appointed Receiver of 1119658
ALBERTA LTD. and 101285461
SASKATCHEWAN LTD.

DOCUMENT **APPLICATION**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT MLT Aikins LLP
Suite 2100, 222 – 3 Avenue S.W.
Calgary, AB T2P 0B4
Phone: 403-693-4305
Fax: 403-508-4349
Attention: Dean A. Hutchison
Solicitors for Hardie & Kelly Inc.

NOTICE TO RESPONDENT(S):

This application is made against you. You are the respondent.

You have the right to state your side of this matter before the Judge.

To do so, you must be in Court when the application is heard as shown below:

Date: Wednesday, October 2, 2019
Time: 2:00 p.m.
Where: Court of Queen's Bench of Alberta, Edmonton Law Courts,
1A Sir Winston Churchill Square, Edmonton, Alberta
Before Whom: The Honourable Mr. Justice J.S. Little, In Chambers
(Booked on the Commercial List)

Go to the end of this document to see what else you can do and when you must do it.

Remedy Claimed or Sought:

1. An abridgement, if necessary, of the time for service of this Application and materials in support thereof, and an Order declaring service of same to be good and sufficient.
2. An Order substantially in the form attached hereto as **Schedule "A"**:
 - (a) approving the sale of lands of 101285461 Saskatchewan Ltd. ("**1012 Sask. Ltd.**") legally described as:

Surface Parcel #142833685
Lot 11
Blk/Par 7
Plan No. 99Y06931
Extension 0

and

Surface Parcel #142833674
Lot 12
Blk/Par 7
Plan No. 99Y06931
Extension 0

(collectively, the "**Lands**"), together with all buildings, fixtures and improvements, including specifically the hotel located on the Lands (collectively, the "**Improvements**"), in accordance with the Offer to Purchase dated July 20, 2019 made by Durali Distances Ventures Ltd., for its designated corporate nominee, 102084666 Saskatchewan Ltd. (the "**Proposed Purchaser**") to and accepted by Hardie & Kelly Inc. in its capacity as the Court-appointed receiver (the "**Receiver**") of 1012 Sask. Ltd. on July 26, 2019, as amended by Agreement between the Proposed Purchaser and the Receiver made July 26, 2019 (collectively, the "**Purchase Agreement**");

- (b) authorizing and directing the Receiver to take all steps reasonably required to carry out the terms of the Purchase Agreement;
- (c) vesting title to the Lands and Improvements to the Proposed Purchaser, or its designated nominee, free and clear of all encumbrances save for the Permitted

Encumbrances (as such term is defined in the Purchase Agreement) upon the fulfillment and waiver of the respective conditions, and closing of the transaction contemplated, in accordance with the terms of the Purchase Agreement.

3. An Order substantially in the form attached hereto as **Schedule "B"** approving the actions of the Receiver in these Receivership proceedings since the date of the Receiver's First Report dated July 29, 2019 (the "**Receiver's First Report**") as set out in the Receiver's Second Report dated September 23, 2019 (the "**Receiver's Second Report**") and the Confidential Supplement to the Receiver's Second Report dated September 23, 2019 (the "**Confidential Supplement**").
4. An Order substantially in the form attached hereto as **Schedule "C"** approving the sealing of the Confidential Supplement until three (3) months after the transaction contemplated by the Purchase Agreement has closed (the "**Restricted Court Access Order**").
5. An Order granting leave to the Receiver to apply to this Court for advice and directions as may be necessary to carry out the terms of any Order granted at the within application.
6. An Order granting such other and further relief as the circumstances may require and as this Honourable Court shall deem appropriate.

Grounds for Making the Application:

A. Sale of Lands and Improvements

- (a) On December 5, 2019, Hardie & Kelly Inc. was appointed the receiver and manager of over all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (collectively, the "**Property**") of 1119658 Alberta Ltd. ("**1119 AB Ltd.**") and 1012 Sask. Ltd. by Order of the Honourable Mr. Justice S.D. Hillier of the Alberta Court of Queen's Bench granted in the within proceedings..
- (b) 1119 AB Ltd. was in the business of owning and operating a hotel known as the Westwood Inn located on lands which are situated in the Town of Drayton Valley, in the Province of Alberta (collectively, the "**Alberta Hotel and Lands**"). 1012 Sask.

Ltd. was in the business of owning and operating a hotel known as the Quality Inn & Suites - Yorkton located on the Lands which are situated in the City of Yorkton, in the Province of Saskatchewan.

- (c) By Sale Approval and Vesting Order (Sale by Receiver) granted August 8, 2019 by the Honourable Mr. Justice J.J. Gill in the within proceedings, the sale of the Alberta Hotel and Lands was approved by this Honourable Court.
- (d) As described in both the Receiver's Second Report and the Confidential Supplement, the Receiver entered into a realtor listing agreement with Colliers International Hotels and CIR Commercial Realty Inc. for the listing of the Lands for sale.
- (e) On July 26, 2019, the Receiver executed the Purchase Agreement with the Proposed Purchaser. The Purchase Agreement is conditional upon the Proposed Purchaser confirming in writing that: (i) it is satisfied with its investigations of the Lands, including, without limitation: economic feasibility reports and environmental assessment reports; and (ii) any necessary financing that the Proposed Purchaser may need to obtain in order to pay the agreed upon purchase price has been approved and obtained (the "**Purchaser's Condition**").
- (f) On September 9 2019, the Proposed Purchaser provided the Receiver with written confirmation that all of the Purchaser's Condition have been satisfied and waived, in accordance with the terms of the Purchase Agreement.
- (g) The Proposed Purchaser has delivered to the Receiver two deposits in accordance with the provisions of the Purchase Agreement.
- (h) The Receiver has had the Lands listed for sale and exposed to the market for approximately four (4) months. It is unlikely that additional time and effort will result in a sale that is materially greater than the purchase price provided under the Purchase Agreement. Business Development Bank of Canada ("**BDC**"), the senior secured lender in this matter, is in agreement with the approval of the Purchase Agreement.

- (i) The Receiver is of the view that the Lands have been exposed for sale to the market for a significant amount of time and that the transaction contemplated by the Purchase Agreement represents the highest realization value to stakeholders which is available in the circumstances.

B. Sealing of Confidential Appendix

- (j) The Confidential Supplement contains confidential information with respect to the purchase price under the Purchase Agreement, and the proposed purchase price for other offers made for the Lands by other interested purchasers, as well as information with respect to the valuations the Receiver obtained regarding the appraised value of the Lands. The Confidential Supplement thus contains commercially sensitive information and documentation.
- (k) There will be a negative impact and significant potential prejudice to stakeholders in the event such confidential information and documentation were disclosed to the public and the transaction contemplated by the Purchase Agreement were to not close and the marketing process regarding the sale of the Lands were resumed.
- (l) The Restricted Court Access Order being sought is the least restrictive and prejudicial alternative to permit the dissemination of the said commercially sensitive information and documentation, such that it is fair and reasonable in the circumstances to restrict public access to such commercially sensitive information and documentation.
- (m) Counsel to the Receiver has completed and submitted a Notice to Media of Application to Restrict Access with respect to the Restricted Court Access Order being sought.
- (n) The terms as set out in the proposed form of Restricted Court Access Order attached hereto as Schedule "C" are necessary to effect the sealing of the Confidential Supplement.

C. Approval of Activities of the Receiver

- (o) All of the actions of the Receiver and its legal counsel since the date of the Receiver's First Report to date in the course of the administration of the receivership of 1119 AB Ltd. and 1012 Sask Ltd. are reasonable and appropriate in the circumstances.
- (p) Such further and other grounds as counsel may advise and this Honourable Court may permit.

Material or Evidence To Be Relied Upon:

- (a) This notice of Application, filed;
- (b) The Receiver's Second Report dated September 23, 2019, filed;
- (c) The Confidential Supplement to the Receiver's Second Report dated September 23, 2019, filed;
- (d) The Receiver's First Report dated July 29, 2019, filed;
- (e) The Confidential Supplement to the Receiver's First Report dated July 29, 2019;
- (f) The Amended Receivership Order granted by the Honourable Mr. Justice S.D. Hillier on December 5, 2018, filed;
- (g) All pleadings, Affidavits and other materials filed in this action;
- (h) The inherent jurisdiction of this Honourable Court to control its own process; and
- (i) Such further and other material as counsel may advise and this Honourable Court may permit.

Applicable Rules:

- (a) Rules 6.32, 6.47 (a), (c) (d), (e) and (f), 11.27 and 13.5 of the Alberta *Rules of Court*.

Applicable Acts and Regulations:

- (a) The *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, as amended;
- (b) The *Judicature Act*, R.S.A. 2000, c. J-2, as amended;
- (c) The *Business Corporations Act*, R.S.A. 2000, c. B-9, as amended;
- (d) The *Personal Property Security Act*, R.S.A. 2000, c. P-7, as amended;

How the Application is Proposed to be Heard or Considered:

- (a) In person before the Honourable Mr. Justice J.S. Little, in Chambers.

WARNING TO THE RESPONDENT:

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

SCHEDULE "A"

COURT FILE NUMBER 1803-21971

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON

IN THE MATTER OF THE BANKRUPTCY AND
INSOLVENCY OF 1119658 ALBERTA LTD. and
101285461 SASKATCHEWAN LTD.

PLAINTIFF BUSINESS DEVELOPMENT BANK OF CANADA

DEFENDANTS 1119658 ALBERTA LTD. and 101285461
SASKATCHEWAN LTD.

APPLICANT HARDIE & KELLY INC. in its capacity as the Court-
appointed Receiver of 1119658 ALBERTA LTD. and
101285461 SASKATCHEWAN LTD.

DOCUMENT **SALE APPROVAL AND VESTING ORDER
(Sale by Receiver)**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT MLT AIKINS LLP
Barristers and Solicitors
Suite 2100, 222 – 3 Avenue S.W.
Calgary, Alberta T2P 0B4
Phone: 403.693.4305
Fax: 403.508.4349
Attention: Dean A. Hutchison
Counsel for the Receiver, Hardie & Kelly Inc.

DATE ON WHICH ORDER WAS PRONOUNCED: WEDNESDAY, OCTOBER 1 2019

LOCATION OF HEARING OR TRIAL: EDMONTON, ALBERTA

NAME OF JUDGE WHO MADE THIS ORDER: HONOURABLE MR. JUSTICE J.S. LITTLE

UPON THE APPLICATION of Hardie & Kelly Inc. in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of all of the current and future assets, undertaking, and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of 1119658 Alberta Ltd. ("**1119 AB Ltd.**") and 101285461 Saskatchewan Ltd. ("**1012 Sask Ltd.**" or the "**Debtor**"), for an Order approving the sale transaction (the "**Transaction**") contemplated by an Offer to Purchase between the Receiver and Durali Distances Ventures Ltd., for its designated corporate nominee, 102084666 Saskatchewan Ltd. (the "**Purchaser**") dated July 24, 2019 as amended by Agreement between

the Receiver and the Purchaser made July 26, 2019 (the "**Purchase Agreement**") and appended to the Confidential Supplemental to the Receiver's Second Report dated September 23, 2019 (the "**Confidential Supplement**") as Appendix "A", and vesting in the Purchaser 1012 Sask Ltd.'s right, title and interest in and to certain lands, together with all of 1012 Sask Ltd.'s rights, title and interest in the buildings, fixtures and improvements, including specifically the hotel, located on such lands, which lands are defined below as the Lands, filed September 23, 2019 (the "**Application**");

AND UPON HAVING READ the Application, the Amended Receivership Order granted by the Honourable Mr. Justice S.D. Hillier on December 5, 2018 (the "**Receivership Order**"), filed, the Receiver's Second Report dated September 23, 2019 (the "**Receiver's Second Report**"), filed, the Confidential Supplement and the Affidavit of Service of _____ sworn _____, 2019; **AND UPON IT** appearing that all interested and affected parties have been served with notice of the Application; **AND UPON HEARING** the submissions of counsel for the Receiver and all other interested parties present;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of the Application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of the Application, and time for service of the Application is abridged to that actually given.

APPROVAL OF THE TRANSACTION

2. The Transaction is hereby approved, and the execution of the Purchase Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction or for the conveyance of the lands legally described as:

Surface Parcel #142833685
Lot 11
Blk/Par 7
Plan No. 99Y06931
Extension 0

and

Surface Parcel #142833674
Lot 12
Blk/Par 7
Plan No. 99Y06931
Extension 0

(collectively, the "**Lands**") to the Purchaser (or its nominee).

VESTING OF PROPERTY

3. Upon the delivery of a Receiver's certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule "A"** hereto (the "**Receiver's Certificate**"), all of the Debtor's rights, title and interest in and to the Lands, together with all of the Debtor's rights, title and interest in the buildings, fixtures and improvements, including specifically the hotel, located on the Lands, as described in the Purchase Agreement (collectively, the "**Purchased Assets**"), shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Receivership Order;
- (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta), *The Personal Property Security Act* (Saskatchewan), *The Land Titles Act* (Saskatchewan), or any other personal property registry system or real property registry system (all of which are collectively referred to as, the "**Encumbrances**", which term shall not include the Permitted Encumbrances as defined and set out in **Schedule "B"** hereto); and

for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. The Transaction is hereby approved and ratified and it is hereby declared that the Transaction is commercially reasonable.

5. Upon the delivery of the Receiver's Certificate, and upon the filing of a certified copy of this Order, together with any applicable registration fees, the Registrar of Land Titles of Saskatchewan (the "**Registrar**") is hereby authorized, requested and directed to proceed in accordance with the directions set out in **Schedule "B"** hereto.
6. Upon the Registrar completing the steps identified in this Order, the Registrar shall forthwith make available to the Purchaser's counsel a certified copy of the new Certificate of Title concerning the Lands in accordance with the direction set out in **Schedule "B"** hereto.
7. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
8. The Purchaser (and its nominee, if any) shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against 1012 Sask Ltd., other than the Permitted Encumbrances.
9. 1012 Sask Ltd., and all persons who claim by, through or under 1012 Sask Ltd. in respect of the Purchased Assets, save and except for the persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Purchased Assets and, to the extent that any such persons remains in possession or control of any of the Purchased Assets, they shall forthwith deliver possession of same to the Purchaser (or its nominee).
10. The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Lands for its own use and benefit without any interference of or by 1012 Sask Ltd., or any person claiming by or through or against 1012 Sask Ltd..
11. The Receiver is to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof to the Purchaser (or its nominee).

12. Notwithstanding:
- (a) the pendency of these proceedings;
 - (b) any bankruptcy order issued pursuant to *the Bankruptcy and Insolvency Act*, R.S.C. 1985, C. B-3 (the "**BIA**") in respect of 1119 AB Ltd.; and
 - (c) any assignment in bankruptcy made in respect of 1012 Sask Ltd.;

the vesting of the Purchased Assets in the Purchaser (or its nominee) pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of 1012 Sask Ltd. and shall not be void or voidable by creditors of 1012 Sask Ltd., nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

13. The Receiver, the Purchaser (or its nominee), and any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.

MISCELLANEOUS MATTERS

14. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body in any province of Canada, the Federal Court of Canada, or other court constituted pursuant to the Parliament of Canada or any of its provinces or territories and any federal or state court or administrative body or any other foreign courts to act in aid of and to be complimentary to this Honourable Court in carrying out the terms of this Order.
15. This Order must be served only upon the Purchaser (or its nominee) and those interested parties attending or represented at the within Application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the same business day as the transmission or delivery of such documents.

16. Service of this Order on any party not attending the Application, other than the Purchaser (or its nominee), is hereby dispensed with.

The Honourable Mr. Justice J.S. Little,
Justice of the Court of Queen's Bench of Alberta

SCHEDULE "A"

Form of Receiver's Certificate

COURT FILE NUMBER	1803-21971
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	EDMONTON
	IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY OF 1119658 ALBERTA LTD. and 101285461 SASKATCHEWAN LTD.
PLAINTIFF	BUSINESS DEVELOPMENT BANK OF CANADA
DEFENDANTS	1119658 ALBERTA LTD. and 101285461 SASKATCHEWAN LTD.
APPLICANT	HARDIE & KELLY INC. in its capacity as the Court- appointed Receiver of 1119658 ALBERTA LTD. and 101285461 SASKATCHEWAN LTD.
DOCUMENT	RECEIVER'S CERTIFICATE
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	MLT AIKINS LLP Barristers and Solicitors Suite 2100, 222 – 3 Avenue S.W. Calgary, Alberta T2P 0R3 Phone: 403.693.4305 Fax: 403.508.4349 Attention: Dean A. Hutchison Counsel for the Receiver, Hardie & Kelly Inc.

RECITALS

- A. Pursuant to an Amended Receivership Order of the Honourable Mr. Justice S.D. Hillier of the Court of Queen's Bench of Alberta (the "**Court**") dated December 5, 2019, Hardie & Kelly Inc. was appointed as the receiver and manager (the "**Receiver**") of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of 1119658 Alberta Ltd. and 101285461 Saskatchewan Ltd. ("**1012 Sask Ltd.**" or the "**Debtor**").
- B. Pursuant to an Order of the Honourable Mr. Justice J.S. Little of the Court dated October 1, 2019 (the "**Sale Approval and Vesting Order**"), the Court approved the Offer to Purchase between the Receiver and Durali Distances Ventures Ltd., for its designated corporate nominee,

102084666 Saskatchewan Ltd. (the "**Purchaser**") dated July 24, 2019 as amended by Agreement between the Receiver and the Purchaser made July 26, 2019 (the "**Purchase Agreement**") and provided for the vesting in the Purchaser (or its nominee) of the Debtor's right, title and interest in and to the Purchased Assets (as such term is defined in the Sale Approval and Vesting Order), which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser (or its nominee) of a certificate confirming: (i) the payment by the Purchaser (or its nominee) of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee) (as applicable); and (iii) the Transaction (as such term is defined in the Sale Approval and Vesting Order) has been completed to the satisfaction of the Receiver.

- C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Purchase Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser (or its nominee) has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the date of closing of the Transaction pursuant to the Purchase Agreement;
2. The conditions to closing as set out in the Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee) (as applicable); and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ on the ____ day of _____, 2019.

HARDIE & KELLY INC., in its capacity as Court-appointed Receiver of 1119658 Alberta Ltd. and 101285461 Saskatchewan Ltd., and not in its personal capacity.

Per: _____

Name:

Title:

SCHEDULE "B"

DIRECTIONS TO THE REGISTRAR OF LAND TITLES SASKATCHEWAN

Upon receipt of a transfer of land from Hardie & Kelly Inc., in its capacity as the Court-appointed receiver and manager of 1119658 Alberta Ltd. and 101285461 Saskatchewan Ltd. (the "**Transfer of Land**"), the Registrar of Land Titles of Saskatchewan (the "**Registrar**") shall immediately do the following with respect to the lands legally described as:

Surface Parcel #142833685
Lot 11
Blk/Par 7
Plan No. 99Y06931
Extension 0

and

Surface Parcel #142833674
Lot 12
Blk/Par 7
Plan No. 99Y06931
Extension 0

(the "**Lands**):

1. Immediately discharge the following encumbrances, liens and interests from the Lands:
 - (a) Interest Number 172159869
(Mortgage – Business Development Bank of Canada)
 - (b) Interest Number 172738503
(Mortgage – 1621804 Alberta Ltd)
 - (c) Interest Number 172159870
(Mortgage – Business Development Bank of Canada)
 - (d) Interest Number 172738514
(Mortgage – 1621804 Alberta Ltd)

2. Maintain the following encumbrances, liens and interest in the Lands (the "**Permitted Encumbrances**):
 - (a) Interest Number 172159779
(CNV Easement – Saskatchewan Power Corporation & Saskatchewan Telecommunications)

- (b) Interest Number 172159780
(Restrictive Covenant)
 - (c) Interest Number 172159814
(CNV Easement –Saskatchewan Telecommunications)
 - (d) Interest Number 172159825
(CNV Easement – Saskatchewan Power Corporation & Saskatchewan
Telecommunications)
 - (e) Interest Number 172159836
(Restrictive Covenant)
3. Accept and register the Transfer of Land, cancel the existing Certificate of Title #:146957473 and existing Certificate of Title #: 146957484 and issue a new Certificate of Title for the Lands in the name of 102084666 Saskatchewan Ltd. (or its nominee) as described in the Transfer of Land.

SCHEDULE "B"

COURT FILE NUMBER 1803-21971

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON

IN THE MATTER OF THE BANKRUPTCY AND
INSOLVENCY OF 1119658 ALBERTA LTD. and
101285461 SASKATCHEWAN LTD.

PLAINTIFF BUSINESS DEVELOPMENT BANK OF CANADA

DEFENDANTS 1119658 ALBERTA LTD. and 101285461
SASKATCHEWAN LTD.

APPLICANT HARDIE & KELLY INC. in its capacity as the Court-
appointed Receiver of 1119658 ALBERTA LTD. and
101285461 SASKATCHEWAN LTD.

DOCUMENT **ORDER FOR APPROVAL OF RECEIVER'S
ACTIVITIES**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT MLT AIKINS LLP
Barristers and Solicitors
Suite 2100, 222 – 3 Avenue S.W.
Calgary, Alberta T2P 0B4
Phone: 403.693.4305
Fax: 403.508.4349
Attention: Dean A. Hutchison
Counsel for the Receiver, Hardie & Kelly Inc.

DATE ON WHICH ORDER WAS PRONOUNCED: WEDNESDAY, OCTOBER 1, 2019

LOCATION OF HEARING OR TRIAL: EDMONTON, ALBERTA

NAME OF JUDGE WHO MADE THIS ORDER: HONOURABLE MR. JUSTICE J.S. LITTLE

UPON THE APPLICATION of Hardie & Kelly Inc. in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of all of the current and future assets, undertaking, and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of 1119658 Alberta Ltd. and 101285461 Saskatchewan Ltd., filed September 23, 2019 (the "**Application**"); **AND UPON HAVING READ** the Application, the Amended Receivership Order granted by the Honourable Mr. Justice S.D. Hillier on December 5, 2018 (the "**Receivership Order**"), filed, the Receiver's Second

Report dated September 23, 2019 (the "**Receiver's Second Report**"), filed, the Confidential Supplement to Receiver's Second Report dated September 23, 2019 (the "**Confidential Supplement**") and the Affidavit of Service of _____ sworn _____, 2019, filed; **AND UPON IT** appearing that all interested and affected parties have been served with notice of the Application; **AND UPON HEARING** the submissions of counsel for the Receiver and all other interested parties present;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of the Application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of the Application, and time for service of the Application is abridged to that actually given.

APPROVAL OF THE ACTIVITIES OF THE RECEIVER

2. The activities of the Receiver as set out in the Receiver's Second Report and the Confidential Supplement, are hereby ratified and approved.
3. This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the day of the transmission or delivery of such documents.
4. Service of this Order on any party not attending the Application is hereby dispensed with.

The Honourable Mr. Justice J.S. Little,
Justice of the Court of Queen's Bench of Alberta

SCHEDULE "C"

COURT FILE NUMBER	1803-21971
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	EDMONTON
	IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY OF 1119658 ALBERTA LTD. and 101285461 SASKATCHEWAN LTD.
PLAINTIFF	BUSINESS DEVELOPMENT BANK OF CANADA
DEFENDANTS	1119658 ALBERTA LTD. and 101285461 SASKATCHEWAN LTD.
APPLICANT	HARDIE & KELLY INC. in its capacity as the Court- appointed Receiver of 1119658 ALBERTA LTD. and 101285461 SASKATCHEWAN LTD.
DOCUMENT	RESTRICTED COURT ACCESS ORDER
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	MLT AIKINS LLP Barristers and Solicitors Suite 2100, 222 – 3 Avenue S.W. Calgary, Alberta T2P 0B4 Phone: 403.693.4305 Fax: 403.508.4349 Attention: Dean A. Hutchison Counsel for the Receiver, Hardie & Kelly Inc.

DATE ON WHICH ORDER WAS PRONOUNCED: WEDNESDAY, OCTOBER 1, 2019

LOCATION OF HEARING OR TRIAL: EDMONTON, ALBERTA

NAME OF JUDGE WHO MADE THIS ORDER: HONOURABLE MR. JUSTICE J.S. LITTLE

UPON THE APPLICATION of Hardie & Kelly Inc. in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of all of the current and future assets, undertaking, and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of 1119658 Alberta Ltd. and 101285461 Saskatchewan Ltd., filed September 23, 2019 (the "**Application**"); **AND UPON HAVING READ** the Application, the Amended Receivership Order granted by the Honourable Mr. Justice S.D. Hillier on December 5, 2018 (the "**Receivership Order**"), filed, the Receiver's Second Report dated September 23, 2019, filed, and the Confidential Supplement to the Receiver's Second Report dated September 23, 2019, and the Affidavit of Service of _____ sworn

_____, 2019; **AND UPON IT** appearing that all interested and affected parties have been served with notice of the Application; **AND UPON HEARING** the submissions of counsel for the Receiver and all other interested parties present;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of the Application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of the Application, and time for service of the Application is abridged to that actually given.

SEALING OF DOCUMENTS

2. The Confidential Supplement to the Receiver's Second Report dated September 23, 2019 is hereby sealed by this Honourable Court until the earlier of:
 - (a) three (3) months from the date of the Receiver filing with this Honourable Court a Receiver's Certificate substantially in the form attached as Schedule "A" to the Sale Approval and Vesting Order (Sale by Receiver) granted by the Honourable Mr. Justice J.S. Little in the within proceedings on September 23, 2019; or
 - (b) further Order of this Honourable Court.

The Honourable Mr. Justice J.S. Little,
Justice of the Court of Queen's Bench of Alberta