

COURT FILE NUMBER 25-2646438

Clerk's Stamp

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE
BANKRUPTCY AND INSOLVENCY
ACT, R.S.C. 1985, c. B-3, AS
AMENDED

IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL
OF OEL PROJECTS LTD.

APPLICANT OEL PROJECTS LTD.

DOCUMENT **SALE APPROVAL AND VESTING
ORDER**

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT Osler, Hoskin & Harcourt LLP
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450 – 1st Street SW
Calgary, Alberta T2P 5H1

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DATE ON WHICH ORDER WAS PRONOUNCED: May 26, 2020

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Madam
Justice A. Grosse

UPON THE APPLICATION by OEL Projects Ltd. (the "Vendor") for an order approving the sale transaction (the "Transaction") contemplated by an asset and share purchase agreement (the "Sale Agreement") between the Vendor and McIntosh Perry Energy Ltd. (the "Purchaser") dated May 21, 2020 and appended to the Affidavit of James Johnson sworn in the

within proceedings on May 21, 2020 (the “**Sale Approval Affidavit**”), and vesting in the Purchaser the Vendor’s right, title and interest in and to the Purchased Assets and the Purchased Shares (as such terms are defined in the Sale Agreement);

AND UPON HAVING READ the pleadings and proceedings herein, the Sale Approval Affidavit, and the First Report of BDO Canada Limited in its capacity as Proposal Trustee (the “**Proposal Trustee**”) of the Vendor; **AND UPON HEARING** the submissions of counsel for the Vendor, the Purchaser, Canadian Imperial Bank of Commerce (“**CIBC**”) and the Proposal Trustee, and no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

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

APPROVAL OF TRANSACTION

2. The Transaction is hereby approved and execution of the Sale Agreement by the Vendor is hereby authorized and approved, with such minor amendments as the Vendor and the Purchaser may agree to in writing (with the consent of the Proposal Trustee). The Vendor and the Proposal Trustee are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for completion of the Transaction and conveyance of the Purchased Assets and the Purchased Shares to the Purchaser.

VESTING OF PROPERTY

3. Upon delivery of a Proposal Trustee’s certificate to the Purchaser substantially in the form set out in **Schedule “A”** hereto (the “**Proposal Trustee’s Closing Certificate**”), all of the Vendor’s right, title and interest in and to the Purchased Assets and the Purchased Shares shall vest absolutely in the name of the Purchaser, free and clear of and from any and all

caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, “**Claims**”) including, without limiting the generality of the foregoing:

- (a) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system, including those listed in **Schedule “B”** hereto;
- (b) any liens or claims of lien under the *Builders’ Lien Act* (Alberta); and
- (c) any notice of security interest registered at the Canadian Intellectual Property Office,

(all of which are collectively referred to as the “**Encumbrances**”, which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule “C”** hereto (collectively, “**Permitted Encumbrances**”)), and for greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets or the Purchased Shares are hereby expunged, discharged and terminated as against the Purchased Assets and the Purchased Shares.

4. Upon delivery of the Proposal Trustee’s Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, “**Governmental Authorities**”) are hereby authorized, requested and directed to accept delivery of such Proposal Trustee’s Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser clear title to the Purchased Assets and the Purchased Shares subject only to Permitted

Encumbrances. Without limiting the foregoing, the Registrar of the Alberta Personal Property Registry (the “**PPR Registrar**”) shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Vendor in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.

5. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Proposal Trustee’s Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets or the Purchased Shares of any Claims including Encumbrances but excluding Permitted Encumbrances.
6. For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Purchased Assets and the Purchased Shares (to be held in an interest bearing trust account by the Proposal Trustee) shall stand in the place and stead of the Purchased Assets and the Purchased Shares from and after delivery of the Proposal Trustee’s Closing Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets or the Purchased Shares and may be asserted against the net proceeds from sale of the Purchased Assets and the Purchased Shares with the same priority as they had with respect to the Purchased Assets and the Purchased Shares immediately prior to the sale, as if the Purchased Assets and the Purchased Shares had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
7. Except as expressly provided for in the Sale Agreement or by section 5 of the Alberta *Employment Standards Code*, the Purchaser shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Vendor.

8. Upon completion of the Transaction, the Vendor and all persons who claim by, through or under the Vendor in respect of the Purchased Assets or the Purchased Shares, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets or the Purchased Shares, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets or the Purchased Shares, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets or the Purchased Shares, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets or the Purchased Shares, they shall forthwith deliver possession thereof to the Purchaser.
9. The Purchaser shall be entitled to enter into and upon, hold and enjoy the Purchased Assets and the Purchased Shares for its own use and benefit without any interference of or by the Vendor, or any person claiming by, through or against the Vendor.
10. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Vendor.
11. The Proposal Trustee is directed to file with the Court a copy of the Proposal Trustee's Closing Certificate forthwith after delivery thereof to the Purchaser.
12. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada) and section 20(e) of the *Alberta Personal Information Protection Act*, the Vendor is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Vendor's records pertaining to the Vendor's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use (of such information) to which the Vendor was entitled.

MISCELLANEOUS MATTERS

13. Notwithstanding:
- (a) the pendency of these proceedings and any declaration of insolvency made herein;
 - (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended (the “BIA”), in respect of the Vendor, and any bankruptcy order issued pursuant to any such applications;
 - (c) any assignment in bankruptcy made in respect of the Vendor; and
 - (d) the provisions of any federal or provincial statute:

the vesting of the Purchased Assets and the Purchased Shares in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Vendor and shall not be void or voidable by creditors of the Vendor, nor shall it constitute nor be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance, 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.

14. The Proposal Trustee, Vendor, Purchaser and any other interested party, shall be at liberty to apply for further advice, assistance and direction 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.
15. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the Vendor, Purchaser and/or Proposal Trustee and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to the Proposal Trustee, as an

officer of the Court, and the Vendor and Purchaser as may be necessary or desirable to give effect to this Order or to assist the Proposal Trustee, Vendor and Purchaser and their respective agents in carrying out the terms of this Order.

16. Service of this Order shall be deemed good and sufficient by:

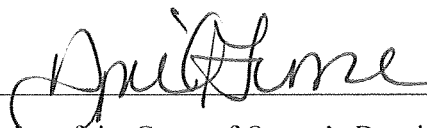
(a) Serving the same on:

- (i) the persons listed on the service list created in these proceedings;
- (ii) any other person served with notice of the application for this Order;
- (iii) any other parties attending or represented at the application for this Order;
- (iv) the Purchaser or the Purchaser's solicitors; and

(b) Posting a copy of this Order on the Proposal Trustee's website at:
AE <https://www.bdo.ca/en-ca/extranets/ocel/> *AE*

and service on any other person is hereby dispensed with.

17. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.


Justice of the Court of Queen's Bench of Alberta

Schedule "A"
Form of Proposal Trustee's Certificate

COURT FILE NUMBER 25-2646438

COURT COURT OF QUEEN'S BENCH OF
ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE
BANKRUPTCY AND INSOLVENCY
ACT, R.S.C. 1985, c. B-3, AS AMENDED

IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL
OF OEL PROJECTS LTD.

Clerk's Stamp

DOCUMENT **PROPOSAL TRUSTEE'S
CERTIFICATE**

ADDRESS FOR SERVICE Osler, Hoskin & Harcourt LLP
AND Suite 2500, TransCanada Tower
CONTACT INFORMATION 450 – 1st Street SW
OF Calgary, Alberta T2P 5H1

PARTY FILING THIS
DOCUMENT

Solicitors: Randal Van de Mosselaer / Emily Paplawski
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Epaplawski@osler.com
Matter: 1209612

RECITALS

- A. Pursuant to Notices of Intention ("NOI") to Make a Proposal ("**Proposal**") pursuant to section 50.4(9) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 as amended ("**BIA**") filed by OEL Projects Ltd. (the "**Vendor**") on May 20, 2020, and BDO Canada Limited having consented to act as trustee for the Proposal ("**Proposal Trustee**").

B. Pursuant to an Order of the Court of Queen's Bench of Alberta (the "**Court**") dated May 26, 2020, the Court approved the asset and share purchase agreement dated May 21, 2020, (the "**Sale Agreement**") between the Vendor and McIntosh Perry Energy Ltd. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Vendor's right, title and interest in and to the Purchased Assets and the Purchased Shares upon the delivery by the Proposal Trustee to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets and the Purchased Shares; and (ii) that the conditions to Closing as set out under the Sale Agreement have been satisfied or waived by the Vendor and the Purchaser, and (iii) the Transaction has been completed to the satisfaction of the Proposal Trustee.

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

THE PROPOSAL TRUSTEE CERTIFIES the following:

1. The Purchaser has paid the Purchase Price for the Purchased Assets and the Purchased Shares pursuant to the Sale Agreement;
2. The conditions to Closing as set out in Articles 7 and 8 of the Sale Agreement have been satisfied or waived by the Vendor and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Proposal Trustee.

This Certificate was delivered by the Proposal Trustee at [Time] on ●, 2020.

**BDO Canada Limited, in its capacity as
Proposal Trustee of OEL Projects Ltd., and
not in its personal capacity**

By: _____
Name:
Title:

Schedule "B"

Encumbrances to be Vested Out

None.

Schedule "C"

Permitted Encumbrances

ALBERTA PERSONAL PROPERTY REGISTRY ("PPR") REGISTRATION 1: MCINTOSH PERRY CONSULTING ENGINEERS LTD.	
Debtor(s)	OEL PROJECTS LTD.
Secured Party	MCINTOSH PERRY CONSULTING ENGINEERS LTD.
Registration No.	17033126214
Registration Date	March 31, 2017

ALBERTA PPR REGISTRATION 2: CANADIAN IMPERIAL BANK OF COMMERCE	
Debtor(s)	OEL PROJECTS LTD.
Secured Party	CANADIAN IMPERIAL BANK OF COMMERCE
Registration No.	17040407257
Registration Date	April 4, 2017