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District of: Alberta
Division No: 02 – Calgary
Court No: 25-2681862
Estate No: 25-2681862

B201 681862

FORM 40



Report of Trustee on Proposal
(Section 59(1) and paragraph 58(d) of the Act)

COM
May 26, 2021
Justice Mah

In the matter of the proposal of
Newsco International Energy Services Inc.
of the City of Calgary, in the Province of Alberta

We, BDO Canada Limited, the trustee acting in the proposal of Newsco International Energy Services Inc. (“Newsco” or the “Company”), hereby report to the Court as follows:

1. That a proposal was filed with us on the 19th day of April 2021, a copy of which is attached and marked as Exhibit "A" (the “Proposal”) and that we filed a copy of the Proposal with the official receiver on the 19th day of April 2021.
2. That on the 23rd day of April 2021, we gave notice (the “Notice”) to the debtor, to the division office and to every known creditor affected by the Proposal, whose names and addresses are shown in Exhibit "B" to this report, of the calling of a meeting of creditors to be held on the 10th day of May 2021 to consider the Proposal.
3. That with the Notice was included a Notice to Claimant setting out the classification and amount of the claim as recognized by Newsco, form of Notice of Dispute of Claimant, Notice of Proposal to Creditors, condensed statement of the assets and liabilities of the debtor, a list of the creditors affected by the Proposal who have claims of \$250 or more and showing the amounts of their claims, a copy of the Proposal, a copy of the Report of Proposal Trustee on Proposal dated April 22, 2021 (the “Proposal Trustee’s Report”) a form of proof of claim and proxy in blank and a voting letter along with the Order (Claims Procedure) dated April 19, 2021 (collectively referred to as the “Creditor Package”). A sample of the Creditor Package is marked as Exhibit “C”.
4. That prior to the meeting of creditors we made a detailed and careful inquiry into the liabilities of the debtor, the debtor’s assets and their value, the debtor’s conduct and the causes of the debtor’s insolvency.
5. That the meeting of creditors was held on the 10th day of May 2021 (the “Meeting”), and was presided over by Marc Kelly, a Licensed Insolvency Trustee.
6. That the proposal was accepted by the required majority of creditors voting on the Proposal.
7. A copy of the minutes of the Meeting is attached and marked as Exhibit "D".

8. That we are of the opinion that:

a) the assets of the debtor and their fair realizable values are as follows:

Property Name	Estimated Book Value \$ (at Feb 28, 2021 - unaudited)	Estimated Realizable Value \$
Cash	51,400.00	-
Accounts receivable - Trades	723,000.00	656,600.00
Accounts receivable - Interco	3,130,000.00	-
Furniture	36,540.00	-
Equipment	924,000.00	572,000.00
Inventory	939,750.00	50,000.00
Tax refunds	167,900.00	-
Cash security (India)	753,000.00	-
Prepaid expenses	17,500.00	-
Investment in subsidiaries	1.00	-
Sale proceeds	-	320,000.00
Total Property Value:	\$ 6,743,091.00	\$ 1,598,600.00

b) the liabilities of the debtor are included as part of Exhibit "C".

9. That we are also of the opinion that:

a) the causes of the insolvency of the debtor are as follows:

The Company's primary cause of financial difficulty/insolvency is due to the sustained long-term pressure on oil and gas commodity prices in recent years, which negatively impacted the Company's revenues and margins. This challenge was severely exacerbated by the COVID-19 pandemic and further decreases in commodity prices.

b) the conduct of the debtor is subject to censure in the following respects:

N/A

c) the following facts, mentioned in section 173 of the Act, may be proved against the debtor:

The assets of the debtor are not of a value equal to fifty cents on the dollar on the amount of the debtor's unsecured liabilities

10. That we are further of the opinion that the debtor's proposal is an advantageous one for the creditors for the following reasons:

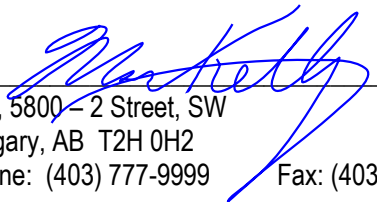
As set out in the Proposal Trustee's Report, a copy of which is included in Exhibit "C", the Proposal provides for a greater recovery to unsecured creditors when compared to a bankruptcy scenario. This is due to the fact that the assets of the Company are fully encumbered and it is anticipated that the secured creditors

would experience a shortfall in a bankruptcy proceeding, such that the anticipated recovery under a bankruptcy scenario is expected to be \$Nil, whereas the Proposal will make available \$320,000 in funds for the Company's creditors affected by the Proposal.

11. That we forwarded a copy of this report to the official receiver on this day.

Dated at the City of Calgary in the Province of Alberta, this 11th day of May 2021.

BDO Canada Limited – Licensed Insolvency Trustee



110, 5800 – 2 Street, SW
Calgary, AB T2H 0H2
Phone: (403) 777-9999 Fax: (403) 640-0591

EXHIBIT “A”

COURT FILE NUMBER 25-2681862
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *BANKRUPTCY
AND INSOLVENCY ACT*, RSC 1985, C. B-3,
AS AMENDED

AND IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
NEWSCO INTERNATIONAL ENERGY
SERVICES INC.

DOCUMENT PROPOSAL

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

BENNETT JONES LLP
Barristers and Solicitors
4500, 855 – 2nd Street S.W.
Calgary, Alberta T2P 4K7

Attention: Chris Simard
Telephone No.: 403-298-4485
Fax No.: 403-265-7219
Client File No.: 88912.3

NEWSCO INTERNATIONAL ENERGY SERVICES INC. ("Newsco") hereby submits the following Proposal under Part III, Division I of the Act.

On October 20, 2020, Newsco filed a Notice of Intention to Make a Proposal under Part III, Division I of the Act.

On February 10, 2020, the Court approved the sale of substantially all of Newsco's Property, other than the Newsco Indian Assets. On February 22, 2021, Newsco completed that asset sale, and received the Sale Proceeds of US\$902,935, subject to adjustments (approximately CA\$1,110,610.05). From the Sale Proceeds, Newsco has made and expects to make Authorized Payments in the approximate amount of CA\$790,000 if the Proposal is approved, leaving approximately CA\$320,000 as the Distribution Fund, to be paid out to creditors.

Pursuant to this Proposal, Newsco wishes to distribute the entirety of the Distribution Fund to the Affected Creditors, to maximize their recovery and provide a superior recovery to that which they would achieve if Newsco became bankrupt.

Among other things, the recovery to Affected Creditors will be maximized under this Proposal because if the Proposal is approved, the Unaffected Secured Creditors, whose Unaffected Secured Claims total approximately \$1,800,000, have agreed not to participate in the distribution of the Distribution Fund.

If this Proposal is not approved and Newsco becomes bankrupt, the Unaffected Secured Creditors would be entitled to prove their Unaffected Secured Claims in Newsco's bankruptcy, likely reducing the amounts available to be recovered by the Affected Creditors to zero.

ARTICLE I Definitions and Interpretation

1.1 In this Proposal, capitalized terms have the following meanings:

- (a) "**Act**" means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended from time to time;
- (b) "**Administration Charge**" means the charge created in the Order granted by the Court in the NOI Proceedings on November 19, 2020;
- (c) "**Administrative Fees and Expenses**" means the fees and expenses of the Proposal Trustee, as well as the legal fees and disbursements of Newsco and of the Proposal Trustee, on or incidental to this Proposal and the proceedings arising out of this Proposal, including all fees and expenses secured by the Administration Charge;
- (d) "**Affected Claims**" means the D&O Claims, the D&O Indemnity Claims, the Judith Melville Secured Claim, the Preferred Claims, the Restructuring Period Claims, the Terminated Employee Preferred Claims and the Unsecured Claims. For certainty, the Unaffected Claims are not Affected Claims;
- (e) "**Affected Creditors**" means Creditors holding Affected Claims, solely in respect of those Affected Claims;
- (f) "**Authorized Payees**" means the Critical Suppliers and the Employees and the Chargees, being the parties to whom Newsco was authorized to make pre- and post-Filing Date payments by the Court's November 19, 2020 Order granted in the NOI Proceedings;
- (g) "**Authorized Payments**" means the amounts owed to the Authorized Payees that were paid by Newsco from the Sale Proceeds prior to and after the filing of this Proposal;
- (h) "**Chargees**" means those parties entitled to the benefit of the Administration Charge, being the Proposal Trustee, the Proposal Trustee's legal counsel and Newsco's legal counsel;

- (i) **"Claim"** means any right or claim of any Person that may be asserted or made in whole or in part against Newsco, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including without limitation, by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature including, without limitation, any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action whether existing at present or commenced in the future, which indebtedness, liability or obligation, and any interest accrued thereon or costs payable in respect thereof (A) is based in whole or in part on facts and events occurring prior to the Filing Date, (B) relates to a time period prior to the Filing Date, or (C) is a right or claim of any kind that would be a debt provable in bankruptcy within the meaning of the BIA had Newsco become bankrupt on the Filing Date;
- (j) **"Court"** means the Court of Queen's Bench of Alberta;
- (k) **"Court Approval Order"** means the order of the Court approving this Proposal pursuant to sections 58 and 59 of the Act, such order being unaffected by any appeal (including, without limitation, not being subject to any unexpired appeal period), or application to vary or set aside such order, which such order shall include, among other things, a provision directing any Person holding Property of Newsco in reliance on or in connection with a Claim, to return such Property to Newsco as soon as reasonably practicable in accordance with the Court Approval Order, and stipulating that such returned Property shall be free and clear of all Claims;
- (l) **"Court"** means the Court of Queen's Bench of Alberta in Bankruptcy and Insolvency;
- (m) **"CRA"** means the Canada Revenue Agency;
- (n) **"Creditor"** means any Person having a Claim and may, if the context requires, mean a Trustee, receiver, receiver-manager, or other Person acting on behalf of or in the name of such Person;
- (o) **"Creditors' Meeting"** means the meeting of Creditors held pursuant to sections 51 and 54 of the Act to consider and vote on the Proposal;

- (p) "**Critical Suppliers**" means those suppliers defined as such in the Order granted by the Court in the NOI Proceedings on November 19, 2020, who are listed on **Schedule "A"** hereto;
- (q) "**Crown**" means Her Majesty in right of Canada or a Province thereof;
- (r) "**Crown Claims**" means Claims of Her Majesty in Right of Canada or any Province of Canada of the kind contemplated in s. 60(1.1) of the Act;
- (s) "**D&O Claim**" means:
 - (i) any right or claim of any Person that may be asserted or made in whole or in part against one or more Directors or Officers that relates to a Claim for which such Directors or Officers are by law liable to pay in their capacity as Directors or Officers; or
 - (ii) any right or claim of any Person that may be asserted or made in whole or in part against one or more Directors or Officers, in that capacity, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation, and any interest accrued thereon or costs payable in respect thereof, is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature, including any right or ability of any Person to advance a claim for contribution or indemnity from any such Directors or Officers or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation, and any interest accrued thereon or costs payable in respect thereof (A) is based in whole or in part on facts and events occurring prior to the Filing Date, or (B) relates to a time period prior to the Filing Date

provided, however, that "D&O Claim" shall not include any D&O Claim that cannot be compromised under the BIA;

- (t) "**D&O Indemnity Claim**" means any existing or future right of any Director or Officer against Newsco which arose or arises as a result of any Person filing a Proof of Claim in respect of such Director or Officer for which such Director or Officer is entitled to be indemnified by Newsco;

- (u) "**Director**" means anyone who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, a director or *de facto* director of Newsco;
- (v) "**Disputed Claim**" means any Claim, which has been received by the Proposal Trustee in accordance with the terms of this Proposal and the BIA but has not been accepted as proven or which is being disputed in whole or in part by the Proposal Trustee, or any other Person entitled to do so, and has not been resolved by agreement or by order of the Court;
- (w) "**Distribution**" means any payment to Affected Creditors pursuant to Article 3.3 of this Proposal;
- (x) "**Distribution Fund**" means the funds held by Newsco that represent the Sale Proceeds, less only the Authorized Payments, which shall be paid by Newsco to the Proposal Trustee in accordance with Article 3.2 of this Proposal;
- (y) "**Effective Date**" means the date on which all conditions contained in Article 4 hereof have been satisfied or, as applicable, waived by Newsco;
- (z) "**Event of Default**" means the failure to pay the amount of the Distribution Fund to be paid in accordance with the terms of this Proposal and/or statutory defaults under the BIA;
- (aa) "**Filing Date**" means October 20, 2020, the date on which Newsco filed its Notice of Intention pursuant to Part III, Division I of the Act;
- (bb) "**Governmental Authority**" means:
 - (i) any federal, provincial, state, local, municipal, regional, territorial, aboriginal, or other government, governmental or public department, branch, ministry, or court, domestic or foreign, including any district, agency, commission, board, arbitration panel or authority and any subdivision of any of them exercising or entitled to exercise any administrative, executive, judicial, ministerial, prerogative, legislative, regulatory or taxing authority or power of any nature; and
 - (ii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of them, and any subdivision of any of them;
- (cc) "**Implementation Date**" means the date on which the conditions set out in Article 4.1 of this Proposal have been satisfied and the Proposal Trustee has delivered a certificate evidencing full performance of this Proposal for the purposes of section 65.3 of the Act, provided that no Event of Default has occurred under this Proposal that has not been cured or waived;
- (dd) "**ITA**" means the *Income Tax Act* (Canada);

- (ee) "**Judith Melville Secured Claim**" means the Secured Claim related to the secured loan made by Judith Melville to Newsco in the amount of \$X on or about X, 2019, plus all accrued interest and expenses;
- (ff) "**Levy**" means the levy imposed by the Superintendent of Bankruptcy under the Act;
- (gg) "**Newsco Indian Assets**" mean those assets located in India and owned and used by Newsco to operate its business in India;
- (hh) "**NOI Proceedings**" means the proceedings commenced by Newsco in the Court pursuant to Part III, Division I of the Act, in Action No. 25-2681862;
- (ii) "**Officer**" means anyone who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, an officer or *de facto* officer of Newsco;
- (jj) "**Person**" means any individual, partnership, limited partnership, joint venture, trust, body corporate, unincorporated organization, committee, board, government or agency or instrumentality thereof, and any other entity howsoever designated or constituted, and includes the Crown;
- (kk) "**Post-Filing Claim**" means the claim of any Person against Newsco that arose from the provision of authorized goods and services provided or otherwise incurred in the normal course of business during the Proposal Period, and for certainty shall not include Restructuring Period Claims;
- (ll) "**Preferred Claim**" means that portion of any Claim that is afforded priority under section 136 of the Act;
- (mm) "**Preferred Creditor**" means a Creditor holding a Preferred Claim, solely in respect of that Preferred Claim;
- (nn) "**Property**" means all of the assets, undertakings and property of Newsco wherever situate;
- (oo) "**Proposal**" means this Proposal, as amended or altered from time to time;
- (pp) "**Proposal Period**" means the period of time between the Filing Date and the Implementation Date;
- (qq) "**Proposal Trustee**" means BDO Canada Limited, a licensed Trustee in bankruptcy who has consented to act as, and is hereby designated as, the proposal trustee acting with respect to the NOI Proceedings and under this Proposal;
- (rr) "**Proven**" as used in relation to any Claim means such Claim as finally accepted or determined in accordance with the provisions of the Act and this Proposal;

- (ss) "**Proxy**" means a completed and executed form of proxy in the form prescribed by the Act, by means of which a Creditor appoints a proxyholder to attend and act on the Creditor's behalf at the Creditors' Meeting;
- (tt) "**Released Parties**" means those Persons released under this Proposal including, without limitation, under Articles 7.1 and 7.2 hereof;
- (uu) "**Restructuring Period Claim**" means any Claim of any Person against Newsco in connection with any indebtedness, liability or obligation of any kind whatsoever resulting from the restructuring, disclaimer, resiliation, termination or breach by Newsco on or after the Filing Date of any contract, lease, or other agreement, including employment agreements, whether written or oral and whether such restructuring, disclaimer, resiliation, termination or breach took place or takes place before or after the date of this Order;
- (vv) "**Sale Proceeds**" means the proceeds of sale received by Newsco from the sale of its assets approved by the Court on February 10, 2021 in the NOI Proceedings;
- (ww) "**Secured Claim**" means a Claim in respect of which a Creditor holds Security that is validly attached as of the date of this Proposal, provided however such Claims shall be Secured Claims only to the extent of the realizable value of the assets secured by the Security, as such realizable value is determined (i) by the Proposal Trustee, or (ii) by the Court;
- (xx) "**Secured Creditor**" means a Creditor holding a Secured Claim, solely in respect of its Secured Claim;
- (yy) "**Security**" means a mortgage, hypothec, pledge, charge, lien, privilege, encumbrance or security interest on or against the property of Newsco or any part thereof as security for a debt due or accruing due to a Creditor by Newsco, whether by way of direct indebtedness or by way of guarantee, indemnity, surety or otherwise;
- (zz) "**Terminated Newsco Employees**" means those employees listed on **Schedule "B"** to this Proposal, whose employment with Newsco shall be terminated effective on the Implementation Date;
- (aaa) "**Terminated Employee Preferred Claims**" means the Preferred Claims of the Terminated Newsco Employees and their statutory severance Claims by the Terminated Newsco Employees pursuant to the *Employment Standards Code* (Alberta);
- (bbb) "**Unaffected Claims**" means Administrative Fees and Expenses, the claims of Critical Suppliers, Crown Claims, Post-Filing Claims and Unaffected Secured Claims;
- (ccc) "**Unaffected Secured Claims**" means all Secured Claims other than the Judith Melville Secured Claim;

- (ddd) "Unaffected Secured Creditor" means a Creditor holding an Unaffected Secured Claim, solely in respect of its Unaffected Secured Claim;
- (eee) "Unsecured Claim" means a Claim in respect of which a Creditor does not hold Security and is not afforded priority under section 136(1) of the Act, and includes, without limitation, that portion of any Secured Claim that exceeds the realizable value of the assets secured by the Security;
- (fff) "Unsecured Creditor" means those Creditors holding Unsecured Claims, solely in respect of their Unsecured Claims;
- (ggg) "Voting Letter" shall mean the voting letter required by subsection 51(1) of the Act to be mailed to each known Affected Creditor prior to the Creditors' Meeting.

1.2 In this Proposal, unless expressly indicated to the contrary:

- (a) terms not otherwise defined shall have the meaning ascribed to them in the Act;
- (b) all references to dollars, money, cash, currency or "\$" shall be in Canadian dollars unless otherwise indicated;
- (c) words importing the singular number only shall include the plural number and vice versa;
- (d) headings are for ease of reference only and shall not affect the meaning or the interpretation of this Proposal; and
- (e) time shall be of the essence.

ARTICLE II

Purposes and Effect of the Proposal

2.1 The purposes of this Proposal are:

- (a) to allow Newsco to distribute the Distribution Fund to its Affected Creditors, in full and final satisfaction of the Affected Claims;
- (b) to allow Newsco the opportunity to continue to operate in the ordinary course of business after performance of its obligations under this Proposal;
- (c) to maximize the recovery of Newsco's Affected Creditors compared to what they would receive in a bankruptcy of Newsco; and
- (d) to avoid the liquidation or bankruptcy of Newsco and the loss of value to all Creditors;

all on the terms and conditions of the Proposal set out herein.

2.2 This Proposal restructures the affairs of Newsco and amends the terms of any and all agreements between Newsco and Creditors existing as at the date of this Proposal to the extent

affected by the Proposal, and provides the essential terms on which all Affected Claims will be fully and finally resolved and settled. During the Proposal Period, the provisions of section 69.1 of the Act shall be in effect. Without limiting the generality of the foregoing, each Affected Creditor will be stayed from commencing or continuing any proceeding or remedy against: (i) Newsco or its Property based upon a Claim existing on or before the Filing Date, including, without limitation, any proceeding or remedy to recover payment of that Claim, to realize against any security interest granted in respect of that Claim, to recover or enforce a judgement against Newsco in respect of that Claim, or to initiate any proceedings against Newsco in respect of that Claim, or to initiate any proceedings against it under any applicable bankruptcy, insolvency or other laws in respect of that Claim, other than an application or proceeding in connection with this Proposal; or (ii) any of the Released Parties.

2.3 This Proposal applies to and is binding on all Affected Creditors, whether or not any such Affected Creditor provides a Claim against Newsco under this Proposal.

ARTICLE III **Treatment and Compromise of Affected Claims**

3.1 There will be one (1) class of Creditors, namely Unsecured Creditors, for purposes of voting on the Proposal.

3.2 The Distribution Fund shall be paid by Newsco to the Proposal Trustee within three (3) business days of the conditions precedent set out in Articles 4.1(a) and 4.1(b) of this Proposal being met.

3.3 The Proposal Trustee shall make distributions out of the Distribution Fund within sixty (60) business days of the Effective Date or such later date as is reasonably practicable, in full and final satisfaction of all Proven Claims:

- (a) firstly, in an amount sufficient to pay in full on the Implementation Date, all outstanding Administrative Fees and Expenses, and/or to hold back sufficient amounts to pay all future anticipated Administrative Fees and Expenses to the completion of the administration of the NOI Proceedings;
- (b) secondly, Her Majesty in Right of Canada and Her Majesty in Right of Alberta will be paid in full by Newsco, within 6 months after Court approval of this Proposal, all Crown Claims;
- (c) thirdly, to Judith Melville in an amount sufficient to pay in full the Judith Melville Secured Claim;
- (d) fourthly, to the Terminated Newsco Employees and the Preferred Creditors, in an amount sufficient to pay in full the Proven Terminated Employee Preferred Claims and the Proven Preferred Claims; and
- (e) fifthly, the balance of the Distribution Fund shall be paid *pro rata* to the Unsecured Creditors, based on the amounts of their respective Proven Unsecured Claims.

3.4 The following parties, to the extent of and in their capacity as holders of the following claims (all of which will be repaid in full under this Proposal or unaffected by this Proposal) shall not be entitled to vote on this Proposal:

- (a) the parties to whom the Administrative Fees and Expenses are owed, to the extent of their claims for Administrative Fees and Expenses;
- (b) Judith Melville, to the extent of the Judith Melville Secured Claim;
- (c) the Terminated Newsco Employees, to the extent of the Proven Terminated Employee Preferred Claims;
- (d) the Preferred Creditors, if any, to the extent of the Proven Preferred Claims; and
- (e) the Unaffected Creditors, to the extent of the Unaffected Claims.

3.5 If the parties to whom the Administrative Fees and Expenses are owed, Judith Melville, the Terminated Newsco Employees, the Preferred Creditors or the Unaffected Creditors also hold any Unsecured Claims, they will be entitled to prove those Unsecured Claims, vote with respect to those Unsecured Claims and receive distributions from the Distribution Fund with respect to those Unsecured Claims, notwithstanding Article 3.4.

3.6 The Levy shall be deducted by the Proposal Trustee from all Distributions to Creditors with Proven Affected Claims by the Proposal Trustee and remitted in accordance with the requirements of the Act.

3.7 The Proposal Trustee shall be entitled to deduct and withhold from any consideration payable to or otherwise contemplated by this Proposal such amounts as the Proposal Trustee is required to deduct and withhold with respect to the making of such payment under the ITA or any provision of state, local or foreign tax law and to take any action necessary to ensure that such deductions and withholdings are timely made. To the extent that the amounts are so withheld by the Proposal Trustee and paid to the appropriate Governmental Authority, such withheld amounts shall be treated for all purposes of this Proposal as having been paid to the Person who otherwise would have received the payment in respect of which such deduction and withholding was made by the Proposal Trustee.

3.8 Affected Creditors will accept the payments provided for in this Article 3 in complete satisfaction of all their Claims and all liens, certificates of pending litigation, executions or any other similar charges or actions or proceedings in respect of such Claims will have no effect in law or in equity against the Property or Newsco. Upon the making of the payments provided for in this Article 3, any and all such Claims and all such liens, certificates or pending litigation, executions or other similar charges or actions will be discharged, dismissed or vacated without cost to Newsco. Any Person holding Property of Newsco in reliance on or in connection with a Claim, shall be obligated to return such Property to Newsco as soon as reasonably practicable in accordance with the Court Approval Order.

3.9 In the case of any Disputed Claim that has not been finally determined on the date of any distribution to Affected Creditors pursuant to this Proposal, the Proposal Trustee will reserve sufficient cash from the Distribution Fund to distribute to the Affected Creditor its distribution in

respect of such Disputed Claim in the event that such Disputed Claim becomes a Proven Claim. If the Disputed Claim becomes a Proven Claim in whole or in part in accordance with the BIA after the applicable distribution date, the cash reserved in respect of such Disputed Claim (or an appropriate portion thereof) will be distributed to such Affected Creditor. If the Disputed Claim is ultimately disallowed in whole or in part in accordance with the BIA after such distribution date, any cash reserved in respect of such Disputed Claim (or the appropriate portion thereof) will become available for distribution from the Distribution Fund. The Proposal Trustee shall have the discretion, if it deems it appropriate, to delay all distributions of the Distribution Fund, until all Disputed Claims become Proven Claims or become disallowed.

ARTICLE IV
Conditions Precedent to the Implementation of the Proposal

- 4.1 The following are conditions precedent to the implementation of the Proposal:
- (a) the required majority of Unsecured Creditors voting to approve this Proposal;
 - (b) the Court Approval Order being granted, in a form satisfactory to Newsco, acting reasonably; and
 - (c) the transfer of the Distribution Fund from Newsco to the Proposal Trustee in accordance with Article 3.2 of this Proposal.

ARTICLE V
Meeting of Unsecured Creditors

5.1 Newsco shall hold the Creditors' Meeting for the Unsecured Creditors to consider and vote upon the Proposal, as amended, at such a date and time as may be called by the Proposal Trustee.

5.2 The Creditors' Meeting shall be confirmed in the notice of meeting to be mailed pursuant to the Act. All proofs of claims shall be delivered in accordance with the provisions of this Proposal, the Act and any order which may be issued by the Court in respect of the procedure governing the Creditors' Meeting.

5.3 Each Unsecured Creditor shall be entitled to vote to the extent of the amount which is equal to the Creditor's Proven Claim.

5.4 In order that the Proposal be binding on the Affected Creditors of Newsco in accordance with the Act, it must first be accepted by the Unsecured Creditors by a majority in number of each class of Unsecured Creditors who actually vote upon the Proposal (in person or by Proxy) at the Creditors' Meeting or by a Voting Letter and representing two-thirds in value of the Proven Unsecured Claims who actually vote upon the Proposal (in person or by Proxy) at the Creditors' Meeting or by a Voting Letter.

5.5 At the Creditors' Meeting, the Unsecured Creditors may appoint one or more, but not more than five, inspectors under this Proposal, who will have no personal liability to Newsco or to the Unsecured Creditors, and whose power shall be limited to:

- (a) the power to advise the Proposal Trustee in respect of such matters as may be referred to the inspectors by the Proposal Trustee;
- (b) the power to advise the Proposal Trustee concerning any dispute that may arise to the validity or quantum of claims of Unsecured Creditors under this Proposal, where the Proposal Trustee requests such assistance;
- (c) the power to approve on behalf of the Unsecured Creditors of Newsco any decision of the Proposal Trustee relating to any matter not contained in this Proposal which the Proposal Trustee may refer to them from time to time, including any extension of time of payment required under this Proposal; and
- (d) the power to waive any default in the performance of this Proposal. The Proposal Trustee shall notify the Inspectors of any default of which the Proposal Trustee becomes aware and the Proposal Trustee shall hold a meeting of Inspectors following such notice for the purpose of obtaining the instructions of the Inspectors with respect to such a default and the steps to be taken.

5.6 Any decision, direction or act of the Inspectors may be referred to the Court by the Proposal Trustee and the Court may confirm, revoke or vary the decision, direction or act of the Inspectors and make such other order as it thinks just.

ARTICLE VI **The Proposal Trustee**

6.1 The Proposal Trustee is acting in its capacity as Proposal Trustee and not in its personal capacity and no officer, director, employee or agent of the Proposal Trustee shall incur any liabilities or obligations in connection with this Proposal or in respect of the business or obligations of Newsco whether existing as at the date of this Proposal or incurred subsequent thereto.

6.2 Upon making the distributions contemplated in Article III, the Proposal shall be fully performed and the Proposal Trustee shall be entitled to apply for its discharge as Proposal Trustee hereunder. For greater certainty, the Proposal Trustee will not be responsible or liable for any obligations of Newsco and will be exempt from any personal liability in fulfilling any duties or exercising any powers conferred upon it by this Proposal unless such acts have been carried out in bad faith and constitute a wilful or wrongful act or default.

ARTICLE VII **Miscellaneous**

7.1 The Distribution of the Distribution Fund by the Proposal Trustee as set forth herein, shall operate as payment in full and final satisfaction of all Affected Claims (including, for certainty, all D&O Claims), and each Affected Creditor will thereafter be deemed to have forever released Newsco and its current and former directors, officers, employees and agents of any and all debts, liabilities, suits, claims and causes of action that it has, had, or may have for any matter, cause or anything existing as of the date of the Proposal.

7.2 On the Effective Date, all Affected Creditors will be deemed to have consented and agreed to all of the provisions of this Proposal in its entirety. For greater certainty, each such Affected

Creditor will be deemed to have waived any default by Newsco in any provision, express or implied, in any agreement existing between the Affected Creditor and Newsco that has occurred on or prior to the Filing Date, and to have agreed that, to the extent that there is any conflict between the provisions of any such agreement and the provisions of the Proposal, the provisions of this Proposal take precedence and priority and the provisions of any such agreement are amended accordingly.

7.3 Sections 95 to 101 of the Act and any other laws relating to preferences, fraudulent conveyances or transfers at undervalue shall not apply to this Proposal or to any payment or distributions made in connection with the Proposal whether made before or after the Filing Date, including to any transactions contemplated by or implemented pursuant to, the Proposal, or to which the Proposal is conditional or dependent upon.

7.4 Newsco covenants and agrees that during the course of the Proposal, it will remit to the CRA all amounts associated with payroll deductions (income tax deductions, Canada Pension Plan contributions and Employment Insurance premiums) if applicable and will file income tax returns and pay income taxes as required by the ITA.

7.5 This Proposal may be amended by Newsco prior to or at the Creditors' Meeting.

Dated at the City of Calgary, in the Province of Alberta this 19TH day of April, 2021.

NEWSCO INTERNATIONAL ENERGY
SERVICES INC

Per: 

William Melville
President and CEO

SCHEDULE "A"

Critical Suppliers

Aadya E-Travel
ABS International Holdings Limited
Ajoy Koch & Co.
Alpha Services
Anil K Badhwar
Ashik Patowary
Ashini Kumar Chetia
ASSAM PETROLEUM LIMITED
Bedanta Chetia
Central Processing Cell – TDS
DD Services
Dolphin Enterprises
Eco & Agro Movers Pvt. Ltd.
Employees Provident Fund Organisation
Finanic Services
Garg Sales Corporation
Gaurav Sahni HUF
Gautam Sahni HUF
K. V. Enterprises
K.S. ENTERPRISES
Labour Welfare Fund Office
M/S Muzzamil Islam Ali
MRA Oil Feild Services
North East Logistics
Oil Feild Warehouse & Services Ltd.
Oil Well Tools Services and Supplies Pvt. Ltd.
Omkar Clearing Forwarding Pvt. Ltd.
Proactive Facilities Pvt. Ltd.
Prodip Sarma
Safe & Trust Logistics
Sanjay Art Printers
Scorpion Mechanical Components Pvt. Ltd.
Standard Instrumentation System
V Sankar Aiyar & Co.
Vaishnavi Engineering

SCHEDULE "B"

Terminated Newsco Employees

1. Curtis Lee
2. Jean-Yves Lalande
3. Cindy McCubbin
4. Patti-Jo Russell

EXHIBIT “B”

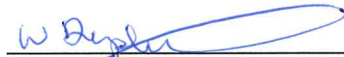
CANADA
PROVINCE OF
DISTRICT OF Alberta
DIVISION NO 02 - Calgary
COURT NO 25-2681862
ESTATE NO 25-2681862

IN THE MATTER OF THE PROPOSAL OF
NEWSCO INTERNATIONAL ENERGY SERVICES INC.
Of the City of Calgary, in the Province of Alberta

- Affidavit of Mailing -

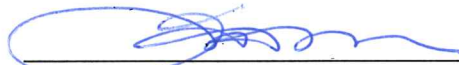
I, Wanda Templeton, of the Trustee's office of BDO Canada Limited/BDO Canada Limitee, 110, 5800 – 2nd Street, SW, Calgary, AB T2H 0H2, hereby make oath and say:

That on the 23rd day of April, 2021, I did cause to be sent by prepaid ordinary mail to the creditors, whose names and addresses appear on the paper writing marked exhibit A, annexed hereto, a copy of April 22, 2021 Notice to Affected Creditors and all noted attachments marked as exhibit B, annexed hereto.



Wanda Templeton
Phone: (403) 777-9999
Fax: (403) 640-0591

SWORN (or SOLEMNLDECLARED) before me in the City of Calgary in the Province of Alberta, this ____ day of May, 2021.



Tamara Hanson, Commissioner of Oaths
For the Province of Alberta
Expires November 29, 2021

Exhibit A

6150498 Manitoba Ltd.
855 - 21 Street
Brandon MB R7B 1R1

Al Ghaith Oilfield Supplies & Services
P.O Box 268, Mussafah Industrial Area
Abu Dhabi AD 9712 UAE

Alberta Assets (2006) INC.
4705-102nd Ave SE
Calgary AB T2C 2X7

Alberta Printed Circuits Ltd.
#3 1112 40th Ave. N.E.
Calgary AB T2E 5T8

Amega West Canada, Ltd.
2201 - 8th Street
Nisku AB T9E 7Z1

Amex Bank of Canada
PO Box 2000
West Hill ON M1E 5H4

Applied Industrial Technologies
Box 4036 STN Central
Calgary AB T2T 5M9

AVT Solid Machining Inc.
Bay 3, 4440-75 Ave. SE
Calgary AB T2C 2H8

Ayotte Enterprises Ltd.
Box 441
White City SK S4L 5B1

Bal Seal Engineering Company, Ltd.
19650 Pauling
Foothill Ranch CA 92610-2610 USA

BasinTek LLC/Abaco Drilling
Technologies
PO Box 2521 Stn "M"
Calgary AB T2P 0T6

Bell Mobility Inc.
PO Box 5102
Burlington ON L7R 4R7

Benchmark Safety (2013) Inc.
Suite 201, 20 Sunpark Plaza SE
Calgary AB T2X 3T2

Bert Baxter Transportation Ltd.
P.O. Box 1631
Estevan SK S4A 2L7

[REDACTED]
[REDACTED]
[REDACTED]

Blends Coffee Roasters
331 - 6 Ave SE
High River AB T1V 1H9

Blue Bear Hotshot
521 Princess St
Estevan SK S4A 2E8

Burnet, Duckworth & Palmer LLP
Suite #2400, 525 - 8th Ave S.W.
Calgary AB T2P 1G1

BW Oilfield Consulting Ltd.
Box 21
Arborfield SK S0E 0A0

Canada Revenue Agency
PO Box 3800 STN A
Sudbury ON P3A 0C3

Canadian Commercial Security Solutions
PO Box 64246, RPO Thorncliffe
Calgary AB T2K 6J7

Canadian Society of Petroleum Geologists
150, 540 - 5th Ave SW
Calgary AB T2P 0M2

Carscallen LLP
Catherine A. Crang
900, 332 6th Avenue SW
Calgary AB T2P 0B2

Chariot Express
PO Box 309 Station T
Calgary AB T2H 2G9

CIBT
14A Hazelton Avenue, Suite 204
Toronto ON M5R 2E2

Cieckview Consulting Ltd.
Box 263
Wolseley SK S0G 5H0

Cindy McCubbin
22429 - 28 Street SW
Calgary AB T3E 2H7

CINTAS Canada Limited
Michelle Dugan
Case Receivable Management, Suite
280-2181 Premier Way
Sherwood Park AB T8H 2V1

Cole International Inc. (CAD)
PO Box 2718, Stn M
Calgary AB T2P 3C2

Cole International USA Inc.
1775 Baseline Road STE 280
Grand Island NY 14072 USA

Compage Communications Group Ltd.
#1109, 10235 - 124 Street NW
Edmonton AB T5N 1P9

Crimp Circuits
675 Petrolia Road
Toronto ON M3J 2N6

Crowe MacKay LLP
1700, 717-7th Ave SW
Calgary AB T2P 0Z3

Curtis Lee c/o McLeod Law Attn. S. King
Shane King
300, 14505 Bannister Road SE
Calgary AB T2X 3J3

Digi-Key Corporation
PO Box 390
Thief River Falls MN 56701-0390 USA

Direct Energy Regulated Services
PO Box 1520, 639 5th Ave SW
Calgary AB T2P 5R6

Dunphy Best Blocksom LLP
Beth P. Younggren
#800, 517 - 10th Avenue S.W.
Calgary AB T2R 0A8

Dynomax Drilling Tools Inc.
7501 - 42nd Street
Leduc AB T9E 0R8

[REDACTED]
[REDACTED]
[REDACTED]

Elite Engineering Ltd.
Box 477
White City SK S4L 5B1

Elizabeth Carbide Components
PO Box 931506
Cleveland OH 44193-1645 USA

Enmax
P O Box 2900, Stn M
Calgary AB T2P 3A7

Federal Express Canada Ltd.
PO Box 4626 Toronto Station A
Toronto ON M5W 5B4

Fluideal (AB) Inc.
17309 - 107 Avenue
Edmonton AB T5S 1E5

G5 Management Ltd. (formerly Highmark
Exploration)
5M South Plains Road
Emerald Park SK S4L 1C6

General Downhole Tools Ltd.
19, 4905-102 Ave SE
Calgary AB T2C 2X7

Global Edge 2020 Inc.
31 Deermont Place SE
Calgary AB T2J 5P5

Gowling Lafleur Henderson LLP
Warren Foley
1600, 421 7th Avenue SW
Calgary AB T2P 4K9

Great Western Tong Services (1987) Ltd.
Box 2303
Virden MN R0M 2C0

Hi-Tech Seals Inc.
Bay 3, 5940 - 30th Street SE
Calgary AB T2C 1X8

Highside Carbide Ltd.
Unit 5, 5510 - 3rd St SE
Calgary AB T2H 1J9

Hunting Titan ULC
#100, 7750 Edgar Industrial Drive
Red Deer AB T4P 3R2

InFocus Energy Services Inc.
9759 - 51 Ave
Edmonton AB T6E 4W8

Innova Power Solutions
#8, 6025 12 St SE
Calgary AB T2H 2K1

Innovative Mechanical Solutions Ltd
PO Box 9586, Stn M
Calgary AB T2P 5L8

Inovic Corp.
#2, 285005 Wrangler Way
Rocky View AB T1X 0K3

Irwin's Machining & Welding Ltd.
22 Marion Avenue, PO Box 864
Oxbow SK S0C 2B0

JD Factors Corporation c/o Sure Shot
Hotshot
315 Matheson Blvd E.
Mississauga ON L4Z 1X8

Jean-Yves Lalonde
3 Strathcona Cres SW
Calgary AB T3H 1K9

Judith Melville
141 Oakbriar Close SW
Calgary AB T2V 5G9

Kevin L. Zemp Professional Corporation
Suite 600, 805 - 8th Ave S.W.
Calgary AB T2P 1H7

KRAYDEN Canada- formerly E.B.
Peerless
Unit 130-6651 Elmbridge Way
Richmond BC V7C 5C2

Libertas Industries Inc.
Bay 27 4905 102nd Ave SE
Calgary AB T2C2X7

Lloyd Sadd Insurance Brokers
Suite 700, 10240 - 124 Street
Edmonton AB T5N 3W6

Long View Systems Corporation
Suite 2100, 250 - 2 Street S.W.
Calgary AB T2P 0C1

Madill - The Office Company
PO Box 57086, Sunridge RPO
Calgary AB T1Y 6R4

Magna Fab Inc.
Box 49
Redvers SK S0C 2H0

Manish Malhotra
4731, 46 Ave SW
Calgary AB T3E 1J2

Maple Leaf Energy Services Ltd.
1000, 639 5th Ave SW
Calgary AB T2P 0M9

McDougall Gauley LLP - Regina
Jennifer Bellefeuille
1500- 1881 Scarth St.
Regina SK S4P 4K9

McLeod Law LLP
Michael C. Kwiatkowski
Centennial Place, West Tower
Calgary AB T2P 0R4

MICROTESLA Magnetic Field Effects
14149 Westfair East Drive
Houston TX 77041 USA

Millennium Manufacturing Inc.
6503 - 30th Street SE
Calgary AB T2C 1R4

MLT Aikins LLP
#1500, 1874 Scarth Street
Regina SK S4P 4E9

Moore's Industrial Service Ltd.
3333 - 23 Street N.E.
Calgary AB T2E 6V8

Mouser Electronics Inc.
PO Box 15820 Station A
Toronto ON M5W 1C1

National Instruments Corporation
PO Box 9423 Postal Station A
Toronto ON M5W 4E1

Patti-Jo Russell
244 Midlawn Close SE
Calgary AB T2X 1A8

Prairie Hotshot
104 - 15th avenue
Estevan SK S4A 1G2

Praxair Distribution
PO Box 2531, STN M
Calgary AB T2P 0S6

Pulse Directional Technologies
Unit R 7004 5th Street SE
Calgary AB T2H 2G3

RAELL INC.
Box 445
Swan River MN R0L 1Z0

Revolve Industries Inc.
5475-53Ave SE
Calgary AB T2C 4N2

Rod MacDonald
417 Douglas Glen Close SE
Calgary AB T2Z 3A4

Sabre Downhole Tools Ltd.
109, 4615 - 112 Ave. SE
Calgary AB T2C 5J3

Saskatchewan Workers Compensation
Board
200 - 1881 Scarth Street
Regina SK S4P 4L1

Smith Thompson Law LLP
J. Faye Garries
Suite 301, 10430 61 Ave NW
Edmonton AB T6H 2J3

Sprouse Fire and Safety Corp.
38, 5329 - 72 Avenue SE
Calgary AB T2C 4X6

Stephan Mravunac C/O Carscallen LLP,
Attn Catherine A Crang
900, 332 6th Avenue SW
Calgary AB T2P 0B2

Stikeman Elliot LLP
4300 Bankers Hall West, 888 - 3rd Street
SW
Calgary AB T2P 5C5

Sullivan Machine Works
2221 Pegasus Way NE
Calgary AB T2E 8T2

TaskMaster Technologies Inc
#5, 6112-45 Street
Leduc AB T9E 7C2

Telus (Business Connect)
PO Box 8950 Stn Terminal
Vancouver BC V6B 3C3

Telus (Internet Service)
PO Box 2210 Station Terminal
Vancouver BC V6B 8P3

Trilogy-Net Inc
3127, 3961 - 52 Ave NE
Calgary AB T3J 0K7

TTL, INC.
PO Drawer 99111
Fort Worth TX 76199011 USA

W-Technology, Inc.
19515 Oil Center Blvd.
Houston TX 77073 USA

Waste Connections of Canada
285122 Bluegrass Drive
Rocky View AB T1X 0P5

WAY-COR Consulting Inc.
P.O. Box 202
Preeseville SK S0A 3B0

Wenzel Downhole Tools
3115 - 93 Street NW
Edmonton AB T6N 1L7

Westfreight Systems Inc. (CDN)
P. O. Box 1108, Station T
Calgary AB T2H 2J1

[REDACTED]
[REDACTED]
[REDACTED]

Witold L. Gutter Barrister & Solicitor
Witold L. Gutter
4256 - 91A Street
Edmonton AB T6E 5V2

X-Act Technologies Ltd.
Suite 151, 4447 - 46th Ave. S.E.
Calgary AB T2B 3N6

Xerox Canada Ltd. (Attn. K Adjedani)
20 York Mills, Suite 500
Toronto ON M2P 2C2

Zone Direct MWD Services Ltd.
588 Windridge Road SW
Airdrie AB T4B 2P9



Tel: 403 777 9999
Fax: 403 640 0591
www.bdo.ca

BDO Canada Limited
110, 5800 - 2nd Street SW
Calgary, AB T2H 0H2 Canada

April 22, 2021

To the Affected Creditors of Newsco International Energy Services Inc. ("Newsco")

Re: Proposal and Meeting of Creditors

A meeting of the creditors (the "Creditors' Meeting") of Newsco will be held on Monday, May 10, 2021 at 10:00 a.m. MDT by telephone conference to consider the Proposal filed by Newsco pursuant to Part III, Division I of the *Bankruptcy and Insolvency Act*.

Enclosed you will find the following relevant documents:

- *Notice to Claimant* (Schedule "A") setting out the classification and amount of your claim as acknowledged by Newsco;
- *Notice of Dispute of Claimant* (Schedule "B")
- Notice of Proposal to Creditors (Form 92);
- Statement of Affairs (Form 78);
- Proposal;
- Report of Proposal Trustee on Proposal;
- Voting Letter (Form 37);
- Proxy (Form 36) and
- Order (Claims Procedure).

Creditors are not required to attend the Creditors' Meeting to be eligible to participate in the distributions provided for under the Proposal. Should you wish to attend the Creditors' Meeting (with or without having submitted a *Voting Letter* in advance thereof), you must contact Ms. Jerri Beauchamp, of the Proposal Trustee's office, at 1-825-509-0394 or jlbeauchamp@bdo.ca to obtain dial-in instructions.

If you agree with the classification and amount of your claim as set out on the enclosed Schedule "A", you need only complete and return the *Voting Letter* casting your vote in respect of the Proposal to us in advance of the Creditors' Meeting.

If you disagree with the classification and amount of your claim as set out on the enclosed Schedule "A", you need to:

- a) Complete and return the *Notice of Dispute of Claimant* (Schedule "B") to the us prior to the commencement of the Creditors' Meeting (failure to do so will result in your claim being recognized as set out in Schedule "A"); and
- b) Complete and return the *Voting Letter* casting your vote in respect of the Proposal to us, or attend the Creditors' Meeting by telephone, to cast your vote.

For the Proposal to be accepted by the creditors, a majority in number and two-thirds in dollar value of those eligible creditors casting a vote by *Voting Letter*, or during the Creditors' Meeting, must vote in favour of the Proposal.

* *Voting Letters, Notices of Dispute of Claimant and Proxies* can be submitted to us by mail, email to jlbeauchamp@bdo.ca or by facsimile to 403-640-0591.

Yours truly,
BDO Canada Limited, in its capacity as
Trustee of the Proposal of Newsco International Energy Services Inc.
ities

per: Jerri Beauchamp
Manager

EXHIBIT “C”



Tel: 403 777 9999
Fax: 403 640 0591
www.bdo.ca

BDO Canada Limited
110, 5800 - 2nd Street SW
Calgary, AB T2H 0H2 Canada

April 22, 2021

To the Affected Creditors of Newsco International Energy Services Inc. ("Newsco")

Re: Proposal and Meeting of Creditors

A meeting of the creditors (the "Creditors' Meeting") of Newsco will be held on Monday, May 10, 2021 at 10:00 a.m. MDT by telephone conference to consider the Proposal filed by Newsco pursuant to Part III, Division I of the Bankruptcy and Insolvency Act.

Enclosed you will find the following relevant documents:

- Notice to Claimant (Schedule "A") setting out the classification and amount of your claim as acknowledged by Newsco;
- Notice of Dispute of Claimant (Schedule "B")
- Notice of Proposal to Creditors (Form 92);
- Statement of Affairs (Form 78);
- Proposal;
- Report of Proposal Trustee on Proposal;
- Voting Letter (Form 37);
- Proxy (Form 36) and
- Order (Claims Procedure).

Creditors are not required to attend the Creditors' Meeting to be eligible to participate in the distributions provided for under the Proposal. Should you wish to attend the Creditors' Meeting (with or without having submitted a Voting Letter in advance thereof), you must contact Ms. Jerri Beauchamp, of the Proposal Trustee's office, at 1-825-509-0394 or jlbeauchamp@bdo.ca to obtain dial-in instructions.

If you agree with the classification and amount of your claim as set out on the enclosed Schedule "A", you need only complete and return the Voting Letter casting your vote in respect of the Proposal to us in advance of the Creditors' Meeting.

If you disagree with the classification and amount of your claim as set out on the enclosed Schedule "A", you need to:

- a) Complete and return the Notice of Dispute of Claimant (Schedule "B") to the us prior to the commencement of the Creditors' Meeting (failure to do so will result in your claim being recognized as set out in Schedule "A"); and
- b) Complete and return the Voting Letter casting your vote in respect of the Proposal to us, or attend the Creditors' Meeting by telephone, to cast your vote.

For the Proposal to be accepted by the creditors, a majority in number and two-thirds in dollar value of those eligible creditors casting a vote by Voting Letter, or during the Creditors' Meeting, must vote in favour of the Proposal.

* Voting Letters, Notices of Dispute of Claimant and Proxies can be submitted to us by mail, email to jlbeauchamp@bdo.ca or by facsimile to 403-640-0591.

Yours truly,
BDO Canada Limited, in its capacity as
Trustee of the Proposal of Newsco International Energy Services Inc.
ities

per: Jerri Beauchamp
Manager

enclosures: as above

SCHEDULE "A"

NOTICE TO CLAIMANT

FOR THE CLAIMS PROCEDURE FOR CLAIMANTS

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

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF NEWSCO INTERNATIONAL ENERGY SERVICES INC. (the "APPLICANT")

PLEASE TAKE NOTICE that this Instruction Letter is being sent pursuant to an order of the Honourable Justice L.B. Ho of the Court of Queen's Bench of Alberta, Judicial Centre of Calgary, granted on April 19, 2021 (the "**Claims Procedure Order**"). All capitalized terms not otherwise defined in this Instruction Letter shall bear the meaning given to them in the Claims Procedure Order, which is posted on the website of the Proposal Trustee, at <https://www.bdo.ca/en-ca/extranets/newsco/>.

Claims Procedure

This letter provides instructions to Claimants in respect of the Claims Procedure for Claimants established pursuant to the Claims Procedure Order. Pursuant to the Claims Procedure Order, the Proposal Trustee is required to send a notice to each Known Claimant stating the accrued amounts, if any, owing directly by the Applicant to the Claimant and the classification of such amounts.

If you have any questions regarding the Claims Procedure, please contact the Proposal Trustee at the following addresses:

BDO Canada Limited
110, 5800 – 2nd Street SW
Calgary, AB T2H 0H2
Attention: Jerri Beauchamp
Phone: 1-825-509-0394
Email: jlbeauchamp@bdo.ca

Notice to Claimant and Instructions for Responding

THE APPLICANT HAS REVIEWED ITS RECORDS AND ACCEPTS THAT YOUR CLAIM, AS OF OCTOBER 20, 2020 AS FOLLOWS:

- **CREDITOR - «CREDITOR NAME»**
- **CLASSIFICATION – UNSECURED/SECURED/PREFERRED**
- **AMOUNT - \$ UNSECURED/SECURED/PREFERRED**

IF YOU AGREE WITH THE APPLICANT'S ASSESSMENT OF YOUR CLAIM, YOU NEED TAKE NO FURTHER ACTION.

IF YOU WISH TO DISPUTE THE APPLICANT'S ASSESSMENT OF YOUR CLAIM, YOU MUST TAKE THE STEPS OUTLINED BELOW.

The Claims Procedure Order provides that if a Claimant disagrees with the assessment of its claim set out in this Notice, the Claimant is required to deliver to the Proposal Trustee, at the address above, a Notice of Dispute of Claimant, in the form enclosed herewith and in the manner set out in the Notice of Dispute of Claimant, **so that it is received by the Proposal Trustee by no later than 10:00 a.m. Calgary time on Monday, May 10, 2021.**

WHERE A CLAIMANT DOES NOT DELIVER A NOTICE OF DISPUTE OF CLAIMANT WITHIN THE TIME PERIOD SET OUT ABOVE, THE AMOUNT OWING TO THE CLAIMANT AND THE CLASSIFICATION OF SUCH AMOUNT ARE CONCLUSIVELY DEEMED TO BE AS SET OUT IN THIS NOTICE.

SCHEDULE "B"

NOTICE OF DISPUTE OF THE CLAIMANT LISTED HEREIN

**IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT, RSC 1985, C. B-3,
AS AMENDED**

**AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
NEWSCO INTERNATIONAL ENERGY SERVICES INC. (the "APPLICANT")**

By order of the Honourable Justice L.B. Ho of the Court of Queen's Bench of Alberta (the "**Court**") granted on April 19, 2021 (as may be amended, restated or supplemented from time to time (the "**Claims Procedure Order**"), in the proceeding commenced by the Applicants under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c D-3 , as amended (the "**BIA**"), the Applicant has been authorized to conduct a claims procedure (the "**Claims Procedure**"). A copy of the Claims Procedure Order, with all schedules, may be found on the Proposal Trustee's website at: <https://www.bdo.ca/en-ca/extranets/newsco/> (the "**Proposal Trustee's Website**"). Capitalized terms used in this letter not otherwise defined in this letter shall have the meaning given to them in the Claims Procedure Order.

Name of Claimant: _____

Address: _____

Telephone Number: _____

Facsimile Number: _____

Email Address: _____

PLEASE TAKE NOTICE THAT, pursuant to the Claims Procedure Order, we hereby give you notice of our intention to dispute the Notice to Claimant issued by BDO Canada Limited in its capacity as Court-appointed Proposal Trustee of the Applicant, in respect of the claim of the Claimant named above. The said Claimant disputes the amounts set out in the Notice to Claimant and/or the classification of said amounts as follows:

Amount Owing as Set Out in Notice to Claimant (\$CDN)	Amount Believed to be Owing as at October 20, 2021 (\$CDN)	Classification of Amount Owing Set Out in Notice to Claimant	Classification of Amount Owing as Disputed

Reason for the dispute (attach copies of any supporting documentation):

Address for Service of Notice of Dispute of Claimant:

BDO Canada Limited
 110, 5800 – 2nd Street SW
 Calgary, AB T2H 0H2
 Attention: Jerri Beauchamp
 Phone: 1-825-509-0394
 Email: jlbeauchamp@bdo.ca

THIS FORM AND ANY REQUIRED SUPPORTING DOCUMENTATION MUST BE RETURNED TO THE PROPOSAL TRUSTEE BY REGISTERED MAIL, PERSONAL SERVICE, EMAIL (IN PDF FORMAT), FACSIMILE OR COURIER TO THE ADDRESS INDICATED ABOVE AND MUST BE ACTUALLY RECEIVED BY THE PROPOSAL TRUSTEE BY 10:00 A.M. CALGARY TIME ON MONDAY, MAY 10, 2021.

DATED this ____ day of _____, 2021

Witness

Per: _____

Name of Claimant

*If Claimant is other than an individual, print name
 and title of authorized signatory*

Name: _____

Title: _____

District of: Alberta
Division No. 02 - Calgary
Court No. 25-2681862
Estate No. 25-2681862

FORM 92
Notice of Proposal to Creditors
(Section 51 of the Act)

In the matter of the proposal of
Newsco International Energy Services Inc.
of the City of Calgary, in the Province of Alberta

Take notice that Newsco International Energy Services Inc. of the City of Calgary in the Province of Alberta has lodged with me a proposal under the Bankruptcy and Insolvency Act.

A copy of the proposal, a statement of the debtor's assets, and liabilities, and a list of the creditors affected by the proposal are enclosed.

A general meeting of the creditors will be held on the 10th day of May 2021 at 10:00 AM via conference call. Creditors wishing to attend the meeting must contact Ms. Jerri Beauchamp at 1-825-509-0394 or at jbeauchamp@bdo.ca for dial-in instructions.

The creditors or any class of creditors qualified to vote at the meeting may by resolution accept the proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the court the proposal is binding on all the creditors or the class of creditors affected.

Voting letters, proxies and Notices of Dispute of Claimant must be filed with the Trustee prior to the commencement of the meeting by mail, email to jbeauchamp@bdo.ca or by facsimile to 403-640-0591.

Dated at the City of Calgary in the Province of Alberta, this 22nd day of April 2021.

BDO Canada Limited - Licensed Insolvency Trustee



110 5800 2 St SW.
Calgary AB T2H 0H2
Phone: 403-777-9999 Fax:403-640-0591

District of: Alberta
 Division No. 02 - Calgary
 Court No. 25-2681862
 Estate No. 25-2681862

Original Amended

-- Form 78 --
 Statement of Affairs (Business Proposal) made by an entity
 (Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

In the matter of the proposal of
 Newsco International Energy Services Inc.
 of the City of Calgary, in the Province of Alberta

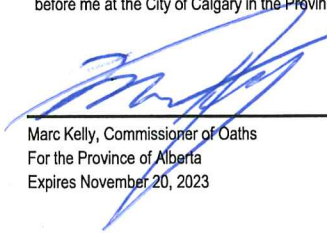
To the debtor:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 19th day of October 2020. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES (as stated and estimated by the officer)		ASSETS (as stated and estimated by the officer)	
1. Unsecured creditors as per list "A"	3,765,707.56	1. Inventory	50,000.00
Balance of secured claims as per list "B"	582,364.07	2. Trade fixtures, etc.	0.00
Total unsecured creditors	4,348,071.63	3. Accounts receivable and other receivables, as per list "E"	
2. Secured creditors as per list "B"	1,278,600.00	Good	0.00
3. Preferred creditors as per list "C"	50,526.30	Doubtful	0.00
4. Contingent, trust claims or other liabilities as per list "D" estimated to be reclaimable for	0.00	Bad	0.00
Total liabilities	5,677,197.93	Estimated to produce	0.00
Surplus	NIL	4. Bills of exchange, promissory note, etc., as per list "F" ...	0.00
		5. Deposits in financial institutions	0.00
		6. Cash	0.00
		7. Livestock	0.00
		8. Machinery, equipment and plant	572,000.00
		9. Real property or immovable as per list "G"	0.00
		10. Furniture	0.00
		11. RRSPs, RRIFs, life insurance, etc.	0.00
		12. Securities (shares, bonds, debentures, etc.)	0.00
		13. Interests under wills	0.00
		14. Vehicles	0.00
		15. Other property, as per list "H"	656,601.00
		If debtor is a corporation, add:	
		Amount of subscribed capital	0.00
		Amount paid on capital	0.00
		Balance subscribed and unpaid	0.00
		Estimated to produce	0.00
		Total assets	1,278,601.00
		Deficiency	4,398,596.93

I, Billy Melville, of the City of Calgary in the Province of Alberta, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of the affairs of the Corporation on the 19th day of October 2020 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)
 before me at the City of Calgary in the Province of Alberta, on this 19th day of April 2021.



 Marc Kelly, Commissioner of Oaths
 For the Province of Alberta
 Expires November 20, 2023



 Billy Melville

District of: Alberta
 Division No. 02 - Calgary
 Court No. 25-2681862
 Estate No. 25-2681862

FORM 78 -- Continued

List "A"
 Unsecured Creditors

Newsco International Energy Services Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	6150498 Manitoba Ltd.	855 - 21 Street Brandon MB R7B 1R1	11,280.00	0.00	11,280.00
2	Aadya E-Travel (unaffected)	2nd floor RU-7 DDA Commercial Complex, Pitampura New Delhi Delhi 110 034 India	5,999.00	0.00	5,999.00
3	ABS International Holdings Limited (unaffected)	3807-44 Street NW Edmonton AB T6L 6Z5	128,288.00	0.00	128,288.00
4	Ajoy Koch & Co. (unaffected)	P.O. Kacharpathar, Duliajan Dist Dibrugarh Assam 786 602 India	22,863.00	0.00	22,863.00
5	Al Ghaith Oilfield Supplies & Services	P.O Box 268, Mussafah Industrial Area Abu Dhabi AD 9712 UAE	29,334.95	0.00	29,334.95
6	Alberta Assets (2006) INC.	4705-102nd Ave SE Calgary AB T2C 2X7	196,920.49	0.00	196,920.49
7	Alberta Printed Circuits Ltd.	#3 1112 40th Ave. N.E. Calgary AB T2E 5T8	112.08	0.00	112.08
8	Alpha Services (unaffected)	Narain Manzil, 23, Barakhamba Road New Delhi Delhi 110 001 India	5,994.00	0.00	5,994.00
9	Amega West Canada, Ltd.	2201 - 8th Street Nisku AB T9E 7Z1	5,673.15	0.00	5,673.15
10	Amex Bank of Canada	PO Box 2000 West Hill ON M1E 5H4	7,249.36	0.00	7,249.36
11	Applied Industrial Technologies	Box 4036 STN Central Calgary AB T2T 5M9	181.25	0.00	181.25
12	Ashik Patowary (unaffected)	Anandapur, Near B.T Field, PO Anandapura Dist. Dibrugarh Assam 786 692 India	1,502.00	0.00	1,502.00
13	ASSAM PETROLEUM LIMITED (unaffected)	Sundarpur Bye Lane-1, RG Baruah Road Guwahati Assam 781 005 India	60,506.00	0.00	60,506.00
14	AVT Solid Machining Inc.	Bay 3, 4440-75 Ave. SE Calgary AB T2C 2H8	50,552.25	0.00	50,552.25
15	Ayotte Enterprises Ltd.	Box 441 White City SK S4L 5B1	171,714.42	0.00	171,714.42
16	Bal Seal Engineering Company, Ltd.	19650 Pauling Foothill Ranch CA 92610-2610 USA	2,880.92	0.00	2,880.92
17	BasinTek LLC/Abaco Drilling Technologies	PO Box 2521 Stn "M" Calgary AB T2P 0T6	391,833.25	0.00	391,833.25
18	Bedanta Chetia (unaffected)	Cherekapar Chetia Gaon, PO Cherekapar Dist. Sivasagar Assam 785 640 India	17,500.00	0.00	17,500.00
19	Bell Mobility Inc.	PO Box 5102 Burlington ON L7R 4R7	925.16	0.00	925.16
20	Benchmark Safety (2013) Inc.	Suite 201, 20 Sunpark Plaza SE Calgary AB T2X 3T2	7,197.75	0.00	7,197.75
21	Bert Baxter Transportation Ltd.	P.O. Box 1631 Estevan SK S4A 2L7	17,563.44	0.00	17,563.44
22	Blends Coffee Roasters	331 - 6 Ave SE High River AB T1V 1H9	144.00	0.00	144.00
23	Blue Bear Hotshot	521 Princess St Estevan SK S4A 2E8	1,092.00	0.00	1,092.00
24	Buffalo Oilpatch Supply Inc (unaffected)	127 Silverado Skies Drive SW Calgary AB T2X 0J6	0.00	582,364.07	582,364.07

19-Apr-2021

Date


 Billy Melville

District of: Alberta
 Division No. 02 - Calgary
 Court No. 25-2681862
 Estate No. 25-2681862

FORM 78 – Continued

List "A"
 Unsecured Creditors

Newsco International Energy Services Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
25	Burnet, Duckworth & Palmer LLP	Suite #2400, 525 - 8th Ave S.W. Calgary AB T2P 1G1	98,133.29	0.00	98,133.29
26	BW Oilfield Consulting Ltd.	Box 21 Arborfield SK S0E 0A0	7,140.00	0.00	7,140.00
27	Canada Revenue Agency 84735 0097 RC0001	PO Box 3800 STN A Sudbury ON P3A 0C3	56,751.04	0.00	56,751.04
28	Canadian Commercial Security Solutions	PO Box 64246, RPO Thorncliffe Calgary AB T2K 6J7	2,546.25	0.00	2,546.25
29	Canadian Society of Petroleum Geologists	150, 540 - 5th Ave SW Calgary AB T2P 0M2	200.00	0.00	200.00
30	Carscallen LLP Attn: Catherine A. Crang Ayotte Enterprises Ltd.	900, 332 6th Avenue SW Calgary AB T2P 0B2	0.00	0.00	0.00
31	Central Processing Cell-TDS (unaffected)	TDS CPC, Ayakar Bhawan, Sector-3 Vaishali Ghazlabad Utter Pr 201 010 India	6,615.00	0.00	6,615.00
32	Chariot Express	PO Box 309 Station T Calgary AB T2H 2G9	2,583.00	0.00	2,583.00
33	CIBT	14A Hazellon Avenue, Suite 204 Toronto ON M5R 2E2	526.29	0.00	526.29
34	Cieckview Consulting Ltd.	Box 263 Wolseley SK S0G 5H0	123,126.63	0.00	123,126.63
35	CINTAS Canada Limited Attn: Michelle Dugan	Case Receivable Management, Suite 280-2181 Premier Way Sherwood Park AB T8H 2V1	895.35	0.00	895.35
36	Cole International Inc. (CAD)	PO Box 2718, Stn M Calgary AB T2P 3C2	7,041.40	0.00	7,041.40
37	Cole International USA Inc.	1775 Baseline Road STE 280 Grand Island NY 14072 USA	693.34	0.00	693.34
38	Compage Communications Group Ltd.	#1109, 10235 - 124 Street NW Edmonton AB T5N 1P9	651.00	0.00	651.00
39	Crimp Circuits	675 Petrolia Road Toronto ON M3J 2N6	3,360.12	0.00	3,360.12
40	Crowe MacKay LLP	1700, 717-7th Ave SW Calgary AB T2P 0Z3	236,250.00	0.00	236,250.00
41	DD Services (unaffected)	Gogoi Building, Jayanagar, College Road P.O. Dulliajan Assam 786 602 India	68,705.00	0.00	68,705.00
42	Department of labour, Labour Welfare Fund Office (unaffected)	Chanan Singh Park, Delhi Contonment New Delhi Delhi 110 010 India	19.00	0.00	19.00
43	Digi-Key Corporation	PO Box 390 Thief River Falls MN 56701-0390 USA	5,000.00	0.00	5,000.00
44	Direct Energy Regulated Services	PO Box 1520, 639 5th Ave SW Calgary AB T2P 5R6	1,348.91	0.00	1,348.91
45	Dolphin Enterprises (unaffected)	C-11/2, New Airport Colony, Parsiwada, Sahar Road, Ville Parle (East) Mumbai Maharash 400 099 India	85,547.00	0.00	85,547.00
46	Dunphy Best Blocksom LLP Attn: Beth P. Younggren Revolve Industries Inc.	#800, 517 - 10th Avenue S.W. Calgary AB T2R 0A8	0.00	0.00	0.00

19-Apr-2021

Date


 Billy Melville

District of: Alberta
 Division No. 02 - Calgary
 Court No. 25-2681862
 Estate No. 25-2681862

FORM 78 -- Continued

List "A"
 Unsecured Creditors

Newsco International Energy Services Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
47	Dynomax Drilling Tools Inc.	7501 - 42nd Street Leduc AB T9E 0R8	77,152.69	0.00	77,152.69
48	Eco & Agro Movers Pvt Ltd (unaffected)	Sundarpur Bye Lane-1, RG Baruah Road Guwahati Assam 781 005 India	27,138.00	0.00	27,138.00
49	Elite Engineering Ltd.	Box 477 White City SK S4L 5B1	126,680.97	0.00	126,680.97
50	Elizabeth Carbide Components	PO Box 931506 Cleveland OH 44193-1645 USA	8,540.08	0.00	8,540.08
51	Enmax	P O Box 2900, Stn M Calgary AB T2P 3A7	4,327.36	0.00	4,327.36
52	Federal Express Canada Ltd.	PO Box 4626 Toronto Station A Toronto ON M5W 5B4	8,157.13	0.00	8,157.13
53	Finanic Services (unaffected)	A-41, Cosy Apartments, Plot No.-20, Sector-9, Rohini New Delhi Delhi 110 085 India	399.00	0.00	399.00
54	Fluidseal (AB) Inc.	17309 - 107 Avenue Edmonton AB T5S 1E5	7,747.69	0.00	7,747.69
55	G5 Management Ltd. (formerly Highmark Exploration)	5M South Plains Road Emerald Park SK S4L 1C6	11,025.00	0.00	11,025.00
56	General Downhole Tools Ltd.	19, 4905-102 Ave SE Calgary AB T2C 2X7	6,623.40	0.00	6,623.40
57	Global Edge 2020 Inc.	31 Deermont Place SE Calgary AB T2J 5P5	6,168.03	0.00	6,168.03
58	Gowling Lafleur Henderson LLP Attn: Warren Foley Wenzel Downhole Tools ULC	1600, 421 7th Avenue SW Calgary AB T2P 4K9	0.00	0.00	0.00
59	Great Western Tong Services (1987) Ltd.	Box 2303 Virden MN R0M 2C0	24,202.50	0.00	24,202.50
60	Highside Carbide Ltd.	Unit 5, 5510 - 3rd St SE Calgary AB T2H 1J9	53,884.45	0.00	53,884.45
61	Hi-Tech Seals Inc.	Bay 3, 5940 - 30th Street SE Calgary AB T2C 1X8	6,314.46	0.00	6,314.46
62	Hunting Titan ULC	#100, 7750 Edgar Industrial Drive Red Deer AB T4P 3R2	2,914.76	0.00	2,914.76
63	ICICI Bank Canada (unaffected)	145 - 4851 Westwinds Drive NE Calgary AB T3J 4L4	40,000.00	0.00	40,000.00
64	InFocus Energy Services Inc.	9759 - 51 Ave Edmonton AB T6E 4W8	8,991.15	0.00	8,991.15
65	Innova Power Solutions	#8, 6025 12 St SE Calgary AB T2H 2K1	78,970.50	0.00	78,970.50
66	Innovative Mechanical Solutions Ltd	PO Box 9586, Stn M Calgary AB T2P 5L8	5,894.70	0.00	5,894.70
67	Inovic Corp.	#2, 285005 Wrangler Way Rocky View AB T1X 0K3	2,033.64	0.00	2,033.64
68	Irwin's Machining & Welding Ltd.	22 Marion Avenue, PO Box 864 Oxbow SK S0C 2B0	1,481.98	0.00	1,481.98
69	JD Factors Corporation c/o Sure Shot Hotshot	315 Matheson Blvd E. Mississauga ON L4Z 1X8	9,303.00	0.00	9,303.00

19-Apr-2021

Date


 Billy Melville

District of: Alberta
 Division No. 02 - Calgary
 Court No. 25-2681862
 Estate No. 25-2681862

FORM 78 -- Continued

List "A"
 Unsecured Creditors

Newsco International Energy Services Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
70	K.S. ENTERPRISES (unaffected)	Room No. 44, Kalavati Sadan, 4th Floor, Opp Shivsena office, Waghle Estate, Shantinagar Thane (West) Maharashtra 400 604 India	1,701.00	0.00	1,701.00
71	K.V. Enterprises (unaffected)	Unit No 20, Nidhi Industrial Complex, Sativali Road, Near Agarwal Naka, Vasai East Paghar Maharashtra 401 208 India	5,526.00	0.00	5,526.00
72	Kevin L. Zemp Professional Corporation	Suite 600, 805 - 8th Ave S.W. Calgary AB T2P 1H7	7,638.46	0.00	7,638.46
73	KRAYDEN Canada- formerly E.B. Peerless	Unit 130-6651 Elmbridge Way Richmond BC V7C 5C2	1,889.68	0.00	1,889.68
74	Libertas Industries Inc.	Bay 27 4905 102nd Ave SE Calgary AB T2C2X7	54,018.06	0.00	54,018.06
75	Lloyd Sadd Insurance Brokers	Suite 700, 10240 - 124 Street Edmonton AB T5N 3W6	1,054.00	0.00	1,054.00
76	Long View Systems Corporation	Suite 2100, 250 - 2 Street S.W. Calgary AB T2P 0C1	2,047.50	0.00	2,047.50
77	M/S Muzzamil Islam Ali (unaffected)	BOC Gate, Lane No 3, PO Duliajan Dist. Dibrugarh Assam 786 602 India	444.00	0.00	444.00
78	Madill - The Office Company	PO Box 57086, Sunridge RPO Calgary AB T1Y 6R4	262.01	0.00	262.01
79	Magna Fab Inc.	Box 49 Redvers SK S0C 2H0	16,614.48	0.00	16,614.48
80	Manish Malhotra	4731, 46 Ave SW Calgary AB T3E 1J2	3,003.43	0.00	3,003.43
81	Maple Leaf Energy Services Ltd.	1000, 639 5th Ave SW Calgary AB T2P 0M9	12,075.00	0.00	12,075.00
82	McDougall Gauley LLP - Regina Attn: Jennifer Bellefeuille Ciekview Consulting Ltd.	1500- 1881 Scarth St. Regina SK S4P 4K9	0.00	0.00	0.00
83	McLeod Law LLP Attn: Michael C. Kwiatkowski Alberta Assets	Centennial Place, West Tower Calgary AB T2P 0R4	0.00	0.00	0.00
84	MICROTESLA Magnetic Field Effects	14149 Westfair East Drive Houston TX 77041 USA	14,767.09	0.00	14,767.09
85	Millennium Manufacturing Inc.	6503 - 30th Street SE Calgary AB T2C 1R4	130,469.85	0.00	130,469.85
86	MLT Aikins LLP	#1500, 1874 Scarth Street Regina SK S4P 4E9	610.50	0.00	610.50
87	Moore's Industrial Service Ltd.	3333 - 23 Street N.E. Calgary AB T2E 6V8	18,582.90	0.00	18,582.90
88	Mouser Electronics Inc.	PO Box 15820 Station A Toronto ON M5W 1C1	3,825.67	0.00	3,825.67
89	MRA Oil Field Services (unaffected)	Gelakey, P.O Galekey. Dist. Sivasagar Assam 785 696 India	4,375.00	0.00	4,375.00
90	National Instruments Corporation	PO Box 9423 Postal Station A Toronto ON M5W 4E1	3,444.00	0.00	3,444.00
91	Newsco Directional Support Services Inc. (unaffected)	Suite 214, 11929 40th Street SE Calgary AB T2Z 4M8	99,957.34	0.00	99,957.34

19-Apr-2021

Date


 Billy Melville

District of: Alberta
 Division No. 02 - Calgary
 Court No. 25-2681862
 Estate No. 25-2681862

FORM 78 -- Continued

List "A"
 Unsecured Creditors

Newsco International Energy Services Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
92	North East Logistics (unaffected)	Aditya Mega Mall, Plot No. - 9 D, CBD, Shahdara District Centre New Delhi Delhi 110 032 India	20,974.00	0.00	20,974.00
93	Oil Field Warehouse & Services Ltd (unaffected)	A-61, 3rd Floor, Electronic Sadam-1, Mahape Navi Mumbai Maharash 400 710 India	8,811.00	0.00	8,811.00
94	Oil Well Tools Services and Supplies Pvt Ltd (unaffected)	Plot no 108, Hissa 1 A2, Wavaje Village Road, Taloja,MIDC Dist. Raigad Maharash 410 206 India	52,208.00	0.00	52,208.00
95	Omkar Clearing Forwarding Pvt Ltd (unaffected)	104, 1st Floor, United Business Park, Road No. 11, Wagle Industrial Estate Thane (W) Maharash 400 604 India	2,468.00	0.00	2,468.00
96	Prairie Hotshot	104 - 15th avenue Estevan SK S4A 1G2	3,412.50	0.00	3,412.50
97	Praxair Distribution	PO Box 2531, STN M Calgary AB T2P 0S6	222.31	0.00	222.31
98	Proactive Facilities Pvt.Ltd. (unaffected)	1240 A, First Floor Maruti Vihar , Chakkarpur Gurugram Haryana 122 002 India	2,384.00	0.00	2,384.00
99	Prodip Sarma (unaffected)	Ward No. 6, Main Road PO Nazira Assam 785 685 India	6,248.00	0.00	6,248.00
100	Pulse Directional Technologies	Unit R 7004 5th Street SE Calgary AB T2H 2G3	1,900.50	0.00	1,900.50
101	RAELL INC.	Box 445 Swan River MN R0L 1Z0	21,120.75	0.00	21,120.75
102	Revolve Industries Inc.	5475-53Ave SE Calgary AB T2C 4N2	56,560.29	0.00	56,560.29
103	Rod MacDonald	417 Douglas Glen Close SE Calgary AB T2Z 3A4	7,818.31	0.00	7,818.31
104	Sabre Downhole Tools Ltd.	109, 4615 - 112 Ave. SE Calgary AB T2C 5J3	32,801.73	0.00	32,801.73
105	Safe & Trust Logistics (unaffected)	Shop No. A-14,Bldg No. 12,Dwarkamai CHS, Kanjur Marg (East), Mumbai Maharash 400 042 India	6,355.00	0.00	6,355.00
106	Saskatchewan Workers Compensation Board	200 - 1881 Scarth Street Regina SK S4P 4L1	2,560.18	0.00	2,560.18
107	Scorpion Mechanical Components Pvt. Ltd. (unaffected)	C-11/2, New Airport Colony, Hanuman Road, Ville Parle (East) Mubai Maharash 400 099 India	44,363.00	0.00	44,363.00
108	Smith Thompson Law LLP Attn: J. Faye Garries Taskmaster Technologies	Suite 301,10430 61 Ave NW Edmonton AB T6H 2J3	0.00	0.00	0.00
109	Sprouse Fire and Safety Corp.	38, 5329 - 72 Avenue SE Calgary AB T2C 4X6	1,071.89	0.00	1,071.89
110	Standard Instrumentation System (unaffected)	Shop No. 4, Jijamatamandir Complex, Below Vijaya Bank, Subhash Road, Dombivali-West Thane Maharash 421 202 India	3,055.00	0.00	3,055.00
111	Stephan Mravunac C/O Carscallen LLP, Attn Catherine A Crang	900, 332 6th Avenue SW Calgary AB T2P 0B2	164,910.00	0.00	164,910.00
112	Stikeman Elliot LLP	4300 Bankers Hall West, 888 - 3rd Street SW Calgary AB T2P 5C5	8,242.51	0.00	8,242.51

19-Apr-2021

Date


 Billy Melville

District of: Alberta
 Division No. 02 - Calgary
 Court No. 25-2681862
 Estate No. 25-2681862

FORM 78 – Continued


List "A"
 Unsecured Creditors

Newsco International Energy Services Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
113	Sullivan Machine Works	2221 Pegasus Way NE Calgary AB T2E 8T2	31,558.74	0.00	31,558.74
114	TaskMaster Technologies Inc	#5, 6112-45 Street Leduc AB T9E 7C2	42,772.12	0.00	42,772.12
115	Telemetrix Technologies International Inc.(unaffected)	Suite 214, 11929 40th Street SE Calgary AB T2Z 4M8	344,456.26	0.00	344,456.26
116	Telus (Business Connect)	PO Box 8950 Stn Terminal Vancouver BC V6B 3C3	1,255.59	0.00	1,255.59
117	Telus (Internet Service)	PO Box 2210 Station Terminal Vancouver BC V6B 8P3	2,486.75	0.00	2,486.75
118	Trilogy-Net Inc	3127, 3961 - 52 Ave NE Calgary AB T3J 0K7	39,314.04	0.00	39,314.04
119	TTI, INC.	PO Drawer 99111 Fort Worth TX 76199011 USA	5,043.51	0.00	5,043.51
120	V Sankar Aiyar & Co. (unaffected)	202,203, 301 Satyam Cinema Complex , Ranjit Nagar, Community Centre New Delhi Maharashtra 110 008 India	7,292.00	0.00	7,292.00
121	Vaishnavi Engineering (unaffected)	Gala No. 4, M.N D'Souza Compound, Near Ram Leela Maidan, Kherani Road, Saki Naka Mumbai Maharashtra 400 072 India	6,028.00	0.00	6,028.00
122	Waste Connections of Canada	285122 Bluegrass Drive Rocky View AB T1X 0P5	1,725.09	0.00	1,725.09
123	WAY-COR Consulting Inc.	P.O. Box 202 Preeseville SK S0A 3B0	23,378.25	0.00	23,378.25
124	Wenzel Downhole Tools	3115 - 93 Street NW Edmonton AB T6N 1L7	48,591.51	0.00	48,591.51
125	Westfreight Systems Inc. (CDN)	P. O. Box 1108, Station T Calgary AB T2H 2J1	1,564.25	0.00	1,564.25
126	Witold L. Gutter Barrister & Solicitor Attn: Witold L. Gutter DynaMax Drilling Tools Inc.	4256 – 91A Street Edmonton AB T6E 5V2	0.00	0.00	0.00
127	W-Technology, Inc.	19515 Oil Center Blvd. Houston TX 77073 USA	15,746.83	0.00	15,746.83
128	X-Act Technologies Ltd.	Suite 151, 4447 - 46th Ave. S.E. Calgary AB T2B 3N6	737.10	0.00	737.10
129	Zone Direct MWD Services Ltd.	588 Windridge Road SW Airdrie AB T4B 2P9	1,575.00	0.00	1,575.00
Total:			3,765,707.56	582,364.07	4,348,071.63

19-Apr-2021

Date



Billy Melville

District of: Alberta
 Division No. 02 - Calgary
 Court No. 25-2681862
 Estate No. 25-2681862

FORM 78 -- Continued

List "B"
 Secured Creditors

Newsco International Energy Services Inc.

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
1	Bill Melville Productions Ltd	141 Oakbriar Close SW Calgary AB T2V 5G9	125,007.50	Business Assets - Book Debts - Accounts receivable - Trades	26-Nov-2019	125,007.50		
2	Buffalo Oilpatch Supply Inc (unaffected)	127 Silverado Skies Drive SW Calgary AB T2X 0J6	1,387,702.73	Business Assets - Machinery - Equipment Business Assets - Book Debts - Accounts receivable - Trades Business Assets - Stock In Trade - Inventory	29-Nov-2019 29-Nov-2019 29-Nov-2019	572,000.00 183,338.66 50,000.00		582,364.07
3	Edmond Melville	216 Quarry Green SE Calgary AB T2C 5E8	250,000.00	Business Assets - Book Debts - Accounts receivable - Trades	26-Nov-2019	250,000.00		
4	Judith Melville	141 Oakbriar Close SW Calgary AB T2V 5G9	57,807.37	Business Assets - Book Debts - Accounts receivable - Trades	22-Nov-2019	57,807.37		
5	William Melville	127 Silverado Skies Drive SW Calgary AB T2X 0J6	40,446.47	Business Assets - Book Debts - Accounts receivable - Trades	26-Nov-2019	40,446.47		
Total:			1,860,964.07			1,278,600.00	0.00	582,364.07

19-Apr-2021

Date


 Billy Melville

District of: Alberta
 Division No. 02 - Calgary
 Court No. 25-2681862
 Estate No. 25-2681862

FORM 78 -- Continued

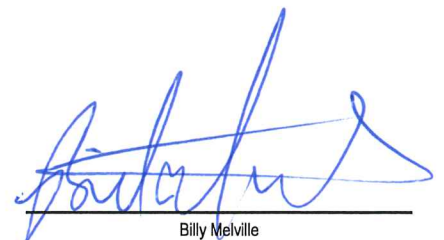
List "C"
 Preferred Creditors for Wages, Rent, etc.

Newsco International Energy Services Inc.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
1	Cindy McCubbin	22429 - 28 Street SW Calgary AB T3E 2H7		-	7,920.00	7,920.00	0.00
2	Curtis Lee c/o McLeod Law Attn. S. King Attn: Shane King	300, 14505 Bannister Road SE Calgary AB T2X 3J3		-	6,473.08	6,473.08	0.00
3	Jean-Yves Lalonde	3 Strathcona Cres SW Calgary AB T3H 1K9		-	19,993.85	19,993.85	0.00
4	Patti-Jo Russell	244 Midlawn Close SE Calgary AB T2X 1A8		-	16,139.37	16,139.37	0.00
Total:					50,526.30	50,526.30	0.00

19-Apr-2021

Date



Billy Melville

District of: Alberta
Division No. 02 - Calgary
Court No. 25-2681862
Estate No. 25-2681862

FORM 78 -- Continued

List "D"
Contingent or Other Liabilities

Newsco International Energy Services Inc.

No.	Name of creditor or claimant	Address and occupation	Amount of liability or claim	Amount expected to rank for dividend	Date when liability incurred	Nature of liability
Total:			0.00	0.00		

19-Apr-2021

Date



Billy Melville

District of: Alberta
Division No. 02 - Calgary
Court No. 25-2681862
Estate No. 25-2681862

FORM 78 -- Continued

List "E"
Debts Due to the Debtor

Newsco International Energy Services Inc.

No.	Name of debtor	Address and occupation	Nature of debt	Amount of debt (good, doubtful, bad)	Folio of ledgers or other book where particulars to be found	When contracted	Estimated to produce	Particulars of any securities held for debt
				0.00				
			Total:	0.00			0.00	
				0.00				

19-Apr-2021

Date



Billy Melville

District of: Alberta
Division No. 02 - Calgary
Court No. 25-2681862
Estate No. 25-2681862

FORM 78 -- Continued

List "F"

Bills of Exchange, Promissory Notes, Lien Notes, Chattel
Mortgages, etc., Available as Assets

Newsco International Energy Services Inc.

No.	Name of all promissory, acceptors, endorsers, mortgagors, and guarantors	Address	Occupation	Amount of bill or note, etc.	Date when due	Estimated to produce	Particulars of any property held as security for payment of bill or note, etc.
Total:				0.00		0.00	

19-Apr-2021

Date



Billy Melville

District of: Alberta
Division No. 02 - Calgary
Court No. 25-2681862
Estate No. 25-2681862

FORM 78 -- Continued

List "G"
Real Property or Immovables Owned by Debtor
Newsco International Energy Services Inc.

Description of property	Nature of debtor interest	In whose name does title stand	Total value	Particulars of mortgages, hypothecs, or other encumbrances (name, address, amount)	Equity or surplus
			Total:	0.00	0.00

19-Apr-2021

Date



Billy Melville

District of: Alberta
 Division No. 02 - Calgary
 Court No. 25-2681862
 Estate No. 25-2681862

FORM 78 -- Concluded

List "H"
 Property

Newsco International Energy Services Inc.

FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(a) Stock-in-trade		Inventory	939,750.00	50,000.00
(b) Trade fixtures, etc.		Furniture	36,540.00	0.00
(c) Cash in financial institutions			0.00	0.00
(d) Cash on hand			0.00	0.00
(e) Livestock			0.00	0.00
(f) Machinery, equipment and plant		Equipment	924,000.00	572,000.00
(g) Furniture			0.00	0.00
(h) Life insurance policies, RRSPs, etc.			0.00	0.00
(i) Securities			0.00	0.00
(j) Interests under wills, etc.			0.00	0.00
(k) Vehicles			0.00	0.00
(l) Taxes			0.00	0.00
(m) Other		Book Debts - Investment in subsidiaries	1.00	1.00
		Book Debts - Prepaid	17,500.00	0.00
		Book Debts - Accounts receivable - Trades	723,000.00	656,600.00
		Book Debts - Accounts receivable - Intercompany	3,130,000.00	0.00
		Book Debts - Cash security - India	723,000.00	0.00
		Book Debts - Cash	51,400.00	0.00
			Total:	1,278,601.00

19-Apr-2021

Date



Billy Melville

Court No. 25-2681862

File No. 25-2681862

In the matter of the proposal of
Newsco International Energy Services Inc.
of the City of Calgary, in the Province of Alberta

Form 78 (Bill C-12)
Statement of affairs (Business bankruptcy)

BDO Canada Limited / BDO Canada Limitée -
Licensed Insolvency Trustee
110, 5800 2 St SW
Calgary AB T2H 0H2
Phone: (403) 777-9999

COURT FILE NUMBER 25-2681862
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *BANKRUPTCY
AND INSOLVENCY ACT*, RSC 1985, C. B-3,
AS AMENDED

AND IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
NEWSCO INTERNATIONAL ENERGY
SERVICES INC.

DOCUMENT PROPOSAL

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

BENNETT JONES LLP
Barristers and Solicitors
4500, 855 – 2nd Street S.W.
Calgary, Alberta T2P 4K7

Attention: Chris Simard
Telephone No.: 403-298-4485
Fax No.: 403-265-7219
Client File No.: 88912.3

NEWSCO INTERNATIONAL ENERGY SERVICES INC. ("Newsco") hereby submits the following Proposal under Part III, Division I of the Act.

On October 20, 2020, Newsco filed a Notice of Intention to Make a Proposal under Part III, Division I of the Act.

On February 10, 2020, the Court approved the sale of substantially all of Newsco's Property, other than the Newsco Indian Assets. On February 22, 2021, Newsco completed that asset sale, and received the Sale Proceeds of US\$902,935, subject to adjustments (approximately CA\$1,110,610.05). From the Sale Proceeds, Newsco has made and expects to make Authorized Payments in the approximate amount of CA\$790,000 if the Proposal is approved, leaving approximately CA\$320,000 as the Distribution Fund, to be paid out to creditors.

Pursuant to this Proposal, Newsco wishes to distribute the entirety of the Distribution Fund to the Affected Creditors, to maximize their recovery and provide a superior recovery to that which they would achieve if Newsco became bankrupt.

Among other things, the recovery to Affected Creditors will be maximized under this Proposal because if the Proposal is approved, the Unaffected Secured Creditors, whose Unaffected Secured Claims total approximately \$1,800,000, have agreed not to participate in the distribution of the Distribution Fund.

If this Proposal is not approved and Newsco becomes bankrupt, the Unaffected Secured Creditors would be entitled to prove their Unaffected Secured Claims in Newsco's bankruptcy, likely reducing the amounts available to be recovered by the Affected Creditors to zero.

ARTICLE I Definitions and Interpretation

1.1 In this Proposal, capitalized terms have the following meanings:

- (a) "**Act**" means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended from time to time;
- (b) "**Administration Charge**" means the charge created in the Order granted by the Court in the NOI Proceedings on November 19, 2020;
- (c) "**Administrative Fees and Expenses**" means the fees and expenses of the Proposal Trustee, as well as the legal fees and disbursements of Newsco and of the Proposal Trustee, on or incidental to this Proposal and the proceedings arising out of this Proposal, including all fees and expenses secured by the Administration Charge;
- (d) "**Affected Claims**" means the D&O Claims, the D&O Indemnity Claims, the Judith Melville Secured Claim, the Preferred Claims, the Restructuring Period Claims, the Terminated Employee Preferred Claims and the Unsecured Claims. For certainty, the Unaffected Claims are not Affected Claims;
- (e) "**Affected Creditors**" means Creditors holding Affected Claims, solely in respect of those Affected Claims;
- (f) "**Authorized Payees**" means the Critical Suppliers and the Employees and the Chargees, being the parties to whom Newsco was authorized to make pre- and post-Filing Date payments by the Court's November 19, 2020 Order granted in the NOI Proceedings;
- (g) "**Authorized Payments**" means the amounts owed to the Authorized Payees that were paid by Newsco from the Sale Proceeds prior to and after the filing of this Proposal;
- (h) "**Chargees**" means those parties entitled to the benefit of the Administration Charge, being the Proposal Trustee, the Proposal Trustee's legal counsel and Newsco's legal counsel;

- (i) **"Claim"** means any right or claim of any Person that may be asserted or made in whole or in part against Newsco, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including without limitation, by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature including, without limitation, any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action whether existing at present or commenced in the future, which indebtedness, liability or obligation, and any interest accrued thereon or costs payable in respect thereof (A) is based in whole or in part on facts and events occurring prior to the Filing Date, (B) relates to a time period prior to the Filing Date, or (C) is a right or claim of any kind that would be a debt provable in bankruptcy within the meaning of the BIA had Newsco become bankrupt on the Filing Date;
- (j) **"Court"** means the Court of Queen's Bench of Alberta;
- (k) **"Court Approval Order"** means the order of the Court approving this Proposal pursuant to sections 58 and 59 of the Act, such order being unaffected by any appeal (including, without limitation, not being subject to any unexpired appeal period), or application to vary or set aside such order, which such order shall include, among other things, a provision directing any Person holding Property of Newsco in reliance on or in connection with a Claim, to return such Property to Newsco as soon as reasonably practicable in accordance with the Court Approval Order, and stipulating that such returned Property shall be free and clear of all Claims;
- (l) **"Court"** means the Court of Queen's Bench of Alberta in Bankruptcy and Insolvency;
- (m) **"CRA"** means the Canada Revenue Agency;
- (n) **"Creditor"** means any Person having a Claim and may, if the context requires, mean a Trustee, receiver, receiver-manager, or other Person acting on behalf of or in the name of such Person;
- (o) **"Creditors' Meeting"** means the meeting of Creditors held pursuant to sections 51 and 54 of the Act to consider and vote on the Proposal;

- (p) **"Critical Suppliers"** means those suppliers defined as such in the Order granted by the Court in the NOI Proceedings on November 19, 2020, who are listed on **Schedule "A"** hereto;
- (q) **"Crown"** means Her Majesty in right of Canada or a Province thereof;
- (r) **"Crown Claims"** means Claims of Her Majesty in Right of Canada or any Province of Canada of the kind contemplated in s. 60(1.1) of the Act;
- (s) **"D&O Claim"** means:
 - (i) any right or claim of any Person that may be asserted or made in whole or in part against one or more Directors or Officers that relates to a Claim for which such Directors or Officers are by law liable to pay in their capacity as Directors or Officers; or
 - (ii) any right or claim of any Person that may be asserted or made in whole or in part against one or more Directors or Officers, in that capacity, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation, and any interest accrued thereon or costs payable in respect thereof, is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature, including any right or ability of any Person to advance a claim for contribution or indemnity from any such Directors or Officers or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation, and any interest accrued thereon or costs payable in respect thereof (A) is based in whole or in part on facts and events occurring prior to the Filing Date, or (B) relates to a time period prior to the Filing Date

provided, however, that "D&O Claim" shall not include any D&O Claim that cannot be compromised under the BIA;

- (t) **"D&O Indemnity Claim"** means any existing or future right of any Director or Officer against Newsco which arose or arises as a result of any Person filing a Proof of Claim in respect of such Director or Officer for which such Director or Officer is entitled to be indemnified by Newsco;

- (u) "**Director**" means anyone who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, a director or *de facto* director of Newsco;
- (v) "**Disputed Claim**" means any Claim, which has been received by the Proposal Trustee in accordance with the terms of this Proposal and the BIA but has not been accepted as proven or which is being disputed in whole or in part by the Proposal Trustee, or any other Person entitled to do so, and has not been resolved by agreement or by order of the Court;
- (w) "**Distribution**" means any payment to Affected Creditors pursuant to Article 3.3 of this Proposal;
- (x) "**Distribution Fund**" means the funds held by Newsco that represent the Sale Proceeds, less only the Authorized Payments, which shall be paid by Newsco to the Proposal Trustee in accordance with Article 3.2 of this Proposal;
- (y) "**Effective Date**" means the date on which all conditions contained in Article 4 hereof have been satisfied or, as applicable, waived by Newsco;
- (z) "**Event of Default**" means the failure to pay the amount of the Distribution Fund to be paid in accordance with the terms of this Proposal and/or statutory defaults under the BIA;
- (aa) "**Filing Date**" means October 20, 2020, the date on which Newsco filed its Notice of Intention pursuant to Part III, Division I of the Act;
- (bb) "**Governmental Authority**" means:
 - (i) any federal, provincial, state, local, municipal, regional, territorial, aboriginal, or other government, governmental or public department, branch, ministry, or court, domestic or foreign, including any district, agency, commission, board, arbitration panel or authority and any subdivision of any of them exercising or entitled to exercise any administrative, executive, judicial, ministerial, prerogative, legislative, regulatory or taxing authority or power of any nature; and
 - (ii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of them, and any subdivision of any of them;
- (cc) "**Implementation Date**" means the date on which the conditions set out in Article 4.1 of this Proposal have been satisfied and the Proposal Trustee has delivered a certificate evidencing full performance of this Proposal for the purposes of section 65.3 of the Act, provided that no Event of Default has occurred under this Proposal that has not been cured or waived;
- (dd) "**ITA**" means the *Income Tax Act* (Canada);

- (ee) "**Judith Melville Secured Claim**" means the Secured Claim related to the secured loan made by Judith Melville to Newsco in the amount of \$X on or about X, 2019, plus all accrued interest and expenses;
- (ff) "**Levy**" means the levy imposed by the Superintendent of Bankruptcy under the Act;
- (gg) "**Newsco Indian Assets**" mean those assets located in India and owned and used by Newsco to operate its business in India;
- (hh) "**NOI Proceedings**" means the proceedings commenced by Newsco in the Court pursuant to Part III, Division I of the Act, in Action No. 25-2681862;
- (ii) "**Officer**" means anyone who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, an officer or *de facto* officer of Newsco;
- (jj) "**Person**" means any individual, partnership, limited partnership, joint venture, trust, body corporate, unincorporated organization, committee, board, government or agency or instrumentality thereof, and any other entity howsoever designated or constituted, and includes the Crown;
- (kk) "**Post-Filing Claim**" means the claim of any Person against Newsco that arose from the provision of authorized goods and services provided or otherwise incurred in the normal course of business during the Proposal Period, and for certainty shall not include Restructuring Period Claims;
- (ll) "**Preferred Claim**" means that portion of any Claim that is afforded priority under section 136 of the Act;
- (mm) "**Preferred Creditor**" means a Creditor holding a Preferred Claim, solely in respect of that Preferred Claim;
- (nn) "**Property**" means all of the assets, undertakings and property of Newsco wherever situate;
- (oo) "**Proposal**" means this Proposal, as amended or altered from time to time;
- (pp) "**Proposal Period**" means the period of time between the Filing Date and the Implementation Date;
- (qq) "**Proposal Trustee**" means BDO Canada Limited, a licensed Trustee in bankruptcy who has consented to act as, and is hereby designated as, the proposal trustee acting with respect to the NOI Proceedings and under this Proposal;
- (rr) "**Proven**" as used in relation to any Claim means such Claim as finally accepted or determined in accordance with the provisions of the Act and this Proposal;

- (ss) "**Proxy**" means a completed and executed form of proxy in the form prescribed by the Act, by means of which a Creditor appoints a proxyholder to attend and act on the Creditor's behalf at the Creditors' Meeting;
- (tt) "**Released Parties**" means those Persons released under this Proposal including, without limitation, under Articles 7.1 and 7.2 hereof;
- (uu) "**Restructuring Period Claim**" means any Claim of any Person against Newsco in connection with any indebtedness, liability or obligation of any kind whatsoever resulting from the restructuring, disclaimer, resiliation, termination or breach by Newsco on or after the Filing Date of any contract, lease, or other agreement, including employment agreements, whether written or oral and whether such restructuring, disclaimer, resiliation, termination or breach took place or takes place before or after the date of this Order;
- (vv) "**Sale Proceeds**" means the proceeds of sale received by Newsco from the sale of its assets approved by the Court on February 10, 2021 in the NOI Proceedings;
- (ww) "**Secured Claim**" means a Claim in respect of which a Creditor holds Security that is validly attached as of the date of this Proposal, provided however such Claims shall be Secured Claims only to the extent of the realizable value of the assets secured by the Security, as such realizable value is determined (i) by the Proposal Trustee, or (ii) by the Court;
- (xx) "**Secured Creditor**" means a Creditor holding a Secured Claim, solely in respect of its Secured Claim;
- (yy) "**Security**" means a mortgage, hypothec, pledge, charge, lien, privilege, encumbrance or security interest on or against the property of Newsco or any part thereof as security for a debt due or accruing due to a Creditor by Newsco, whether by way of direct indebtedness or by way of guarantee, indemnity, surety or otherwise;
- (zz) "**Terminated Newsco Employees**" means those employees listed on **Schedule "B"** to this Proposal, whose employment with Newsco shall be terminated effective on the Implementation Date;
- (aaa) "**Terminated Employee Preferred Claims**" means the Preferred Claims of the Terminated Newsco Employees and their statutory severance Claims by the Terminated Newsco Employees pursuant to the *Employment Standards Code* (Alberta);
- (bbb) "**Unaffected Claims**" means Administrative Fees and Expenses, the claims of Critical Suppliers, Crown Claims, Post-Filing Claims and Unaffected Secured Claims;
- (ccc) "**Unaffected Secured Claims**" means all Secured Claims other than the Judith Melville Secured Claim;

- (ddd) "Unaffected Secured Creditor" means a Creditor holding an Unaffected Secured Claim, solely in respect of its Unaffected Secured Claim;
- (eee) "Unsecured Claim" means a Claim in respect of which a Creditor does not hold Security and is not afforded priority under section 136(1) of the Act, and includes, without limitation, that portion of any Secured Claim that exceeds the realizable value of the assets secured by the Security;
- (fff) "Unsecured Creditor" means those Creditors holding Unsecured Claims, solely in respect of their Unsecured Claims;
- (ggg) "Voting Letter" shall mean the voting letter required by subsection 51(1) of the Act to be mailed to each known Affected Creditor prior to the Creditors' Meeting.

1.2 In this Proposal, unless expressly indicated to the contrary:

- (a) terms not otherwise defined shall have the meaning ascribed to them in the Act;
- (b) all references to dollars, money, cash, currency or "\$" shall be in Canadian dollars unless otherwise indicated;
- (c) words importing the singular number only shall include the plural number and vice versa;
- (d) headings are for ease of reference only and shall not affect the meaning or the interpretation of this Proposal; and
- (e) time shall be of the essence.

ARTICLE II

Purposes and Effect of the Proposal

2.1 The purposes of this Proposal are:

- (a) to allow Newsco to distribute the Distribution Fund to its Affected Creditors, in full and final satisfaction of the Affected Claims;
- (b) to allow Newsco the opportunity to continue to operate in the ordinary course of business after performance of its obligations under this Proposal;
- (c) to maximize the recovery of Newsco's Affected Creditors compared to what they would receive in a bankruptcy of Newsco; and
- (d) to avoid the liquidation or bankruptcy of Newsco and the loss of value to all Creditors;

all on the terms and conditions of the Proposal set out herein.

2.2 This Proposal restructures the affairs of Newsco and amends the terms of any and all agreements between Newsco and Creditors existing as at the date of this Proposal to the extent

affected by the Proposal, and provides the essential terms on which all Affected Claims will be fully and finally resolved and settled. During the Proposal Period, the provisions of section 69.1 of the Act shall be in effect. Without limiting the generality of the foregoing, each Affected Creditor will be stayed from commencing or continuing any proceeding or remedy against: (i) Newsco or its Property based upon a Claim existing on or before the Filing Date, including, without limitation, any proceeding or remedy to recover payment of that Claim, to realize against any security interest granted in respect of that Claim, to recover or enforce a judgement against Newsco in respect of that Claim, or to initiate any proceedings against Newsco in respect of that Claim, or to initiate any proceedings against it under any applicable bankruptcy, insolvency or other laws in respect of that Claim, other than an application or proceeding in connection with this Proposal; or (ii) any of the Released Parties.

2.3 This Proposal applies to and is binding on all Affected Creditors, whether or not any such Affected Creditor provides a Claim against Newsco under this Proposal.

ARTICLE III **Treatment and Compromise of Affected Claims**

3.1 There will be one (1) class of Creditors, namely Unsecured Creditors, for purposes of voting on the Proposal.

3.2 The Distribution Fund shall be paid by Newsco to the Proposal Trustee within three (3) business days of the conditions precedent set out in Articles 4.1(a) and 4.1(b) of this Proposal being met.

3.3 The Proposal Trustee shall make distributions out of the Distribution Fund within sixty (60) business days of the Effective Date or such later date as is reasonably practicable, in full and final satisfaction of all Proven Claims:

- (a) firstly, in an amount sufficient to pay in full on the Implementation Date, all outstanding Administrative Fees and Expenses, and/or to hold back sufficient amounts to pay all future anticipated Administrative Fees and Expenses to the completion of the administration of the NOI Proceedings;
- (b) secondly, Her Majesty in Right of Canada and Her Majesty in Right of Alberta will be paid in full by Newsco, within 6 months after Court approval of this Proposal, all Crown Claims;
- (c) thirdly, to Judith Melville in an amount sufficient to pay in full the Judith Melville Secured Claim;
- (d) fourthly, to the Terminated Newsco Employees and the Preferred Creditors, in an amount sufficient to pay in full the Proven Terminated Employee Preferred Claims and the Proven Preferred Claims; and
- (e) fifthly, the balance of the Distribution Fund shall be paid *pro rata* to the Unsecured Creditors, based on the amounts of their respective Proven Unsecured Claims.

3.4 The following parties, to the extent of and in their capacity as holders of the following claims (all of which will be repaid in full under this Proposal or unaffected by this Proposal) shall not be entitled to vote on this Proposal:

- (a) the parties to whom the Administrative Fees and Expenses are owed, to the extent of their claims for Administrative Fees and Expenses;
- (b) Judith Melville, to the extent of the Judith Melville Secured Claim;
- (c) the Terminated Newsco Employees, to the extent of the Proven Terminated Employee Preferred Claims;
- (d) the Preferred Creditors, if any, to the extent of the Proven Preferred Claims; and
- (e) the Unaffected Creditors, to the extent of the Unaffected Claims.

3.5 If the parties to whom the Administrative Fees and Expenses are owed, Judith Melville, the Terminated Newsco Employees, the Preferred Creditors or the Unaffected Creditors also hold any Unsecured Claims, they will be entitled to prove those Unsecured Claims, vote with respect to those Unsecured Claims and receive distributions from the Distribution Fund with respect to those Unsecured Claims, notwithstanding Article 3.4.

3.6 The Levy shall be deducted by the Proposal Trustee from all Distributions to Creditors with Proven Affected Claims by the Proposal Trustee and remitted in accordance with the requirements of the Act.

3.7 The Proposal Trustee shall be entitled to deduct and withhold from any consideration payable to or otherwise contemplated by this Proposal such amounts as the Proposal Trustee is required to deduct and withhold with respect to the making of such payment under the ITA or any provision of state, local or foreign tax law and to take any action necessary to ensure that such deductions and withholdings are timely made. To the extent that the amounts are so withheld by the Proposal Trustee and paid to the appropriate Governmental Authority, such withheld amounts shall be treated for all purposes of this Proposal as having been paid to the Person who otherwise would have received the payment in respect of which such deduction and withholding was made by the Proposal Trustee.

3.8 Affected Creditors will accept the payments provided for in this Article 3 in complete satisfaction of all their Claims and all liens, certificates of pending litigation, executions or any other similar charges or actions or proceedings in respect of such Claims will have no effect in law or in equity against the Property or Newsco. Upon the making of the payments provided for in this Article 3, any and all such Claims and all such liens, certificates or pending litigation, executions or other similar charges or actions will be discharged, dismissed or vacated without cost to Newsco. Any Person holding Property of Newsco in reliance on or in connection with a Claim, shall be obligated to return such Property to Newsco as soon as reasonably practicable in accordance with the Court Approval Order.

3.9 In the case of any Disputed Claim that has not been finally determined on the date of any distribution to Affected Creditors pursuant to this Proposal, the Proposal Trustee will reserve sufficient cash from the Distribution Fund to distribute to the Affected Creditor its distribution in

respect of such Disputed Claim in the event that such Disputed Claim becomes a Proven Claim. If the Disputed Claim becomes a Proven Claim in whole or in part in accordance with the BIA after the applicable distribution date, the cash reserved in respect of such Disputed Claim (or an appropriate portion thereof) will be distributed to such Affected Creditor. If the Disputed Claim is ultimately disallowed in whole or in part in accordance with the BIA after such distribution date, any cash reserved in respect of such Disputed Claim (or the appropriate portion thereof) will become available for distribution from the Distribution Fund. The Proposal Trustee shall have the discretion, if it deems it appropriate, to delay all distributions of the Distribution Fund, until all Disputed Claims become Proven Claims or become disallowed.

ARTICLE IV
Conditions Precedent to the Implementation of the Proposal

- 4.1 The following are conditions precedent to the implementation of the Proposal:
- (a) the required majority of Unsecured Creditors voting to approve this Proposal;
 - (b) the Court Approval Order being granted, in a form satisfactory to Newsco, acting reasonably; and
 - (c) the transfer of the Distribution Fund from Newsco to the Proposal Trustee in accordance with Article 3.2 of this Proposal.

ARTICLE V
Meeting of Unsecured Creditors

5.1 Newsco shall hold the Creditors' Meeting for the Unsecured Creditors to consider and vote upon the Proposal, as amended, at such a date and time as may be called by the Proposal Trustee.

5.2 The Creditors' Meeting shall be confirmed in the notice of meeting to be mailed pursuant to the Act. All proofs of claims shall be delivered in accordance with the provisions of this Proposal, the Act and any order which may be issued by the Court in respect of the procedure governing the Creditors' Meeting.

5.3 Each Unsecured Creditor shall be entitled to vote to the extent of the amount which is equal to the Creditor's Proven Claim.

5.4 In order that the Proposal be binding on the Affected Creditors of Newsco in accordance with the Act, it must first be accepted by the Unsecured Creditors by a majority in number of each class of Unsecured Creditors who actually vote upon the Proposal (in person or by Proxy) at the Creditors' Meeting or by a Voting Letter and representing two-thirds in value of the Proven Unsecured Claims who actually vote upon the Proposal (in person or by Proxy) at the Creditors' Meeting or by a Voting Letter.

5.5 At the Creditors' Meeting, the Unsecured Creditors may appoint one or more, but not more than five, inspectors under this Proposal, who will have no personal liability to Newsco or to the Unsecured Creditors, and whose power shall be limited to:

- (a) the power to advise the Proposal Trustee in respect of such matters as may be referred to the inspectors by the Proposal Trustee;
- (b) the power to advise the Proposal Trustee concerning any dispute that may arise to the validity or quantum of claims of Unsecured Creditors under this Proposal, where the Proposal Trustee requests such assistance;
- (c) the power to approve on behalf of the Unsecured Creditors of Newsco any decision of the Proposal Trustee relating to any matter not contained in this Proposal which the Proposal Trustee may refer to them from time to time, including any extension of time of payment required under this Proposal; and
- (d) the power to waive any default in the performance of this Proposal. The Proposal Trustee shall notify the Inspectors of any default of which the Proposal Trustee becomes aware and the Proposal Trustee shall hold a meeting of Inspectors following such notice for the purpose of obtaining the instructions of the Inspectors with respect to such a default and the steps to be taken.

5.6 Any decision, direction or act of the Inspectors may be referred to the Court by the Proposal Trustee and the Court may confirm, revoke or vary the decision, direction or act of the Inspectors and make such other order as it thinks just.

ARTICLE VI **The Proposal Trustee**

6.1 The Proposal Trustee is acting in its capacity as Proposal Trustee and not in its personal capacity and no officer, director, employee or agent of the Proposal Trustee shall incur any liabilities or obligations in connection with this Proposal or in respect of the business or obligations of Newsco whether existing as at the date of this Proposal or incurred subsequent thereto.

6.2 Upon making the distributions contemplated in Article III, the Proposal shall be fully performed and the Proposal Trustee shall be entitled to apply for its discharge as Proposal Trustee hereunder. For greater certainty, the Proposal Trustee will not be responsible or liable for any obligations of Newsco and will be exempt from any personal liability in fulfilling any duties or exercising any powers conferred upon it by this Proposal unless such acts have been carried out in bad faith and constitute a wilful or wrongful act or default.

ARTICLE VII **Miscellaneous**

7.1 The Distribution of the Distribution Fund by the Proposal Trustee as set forth herein, shall operate as payment in full and final satisfaction of all Affected Claims (including, for certainty, all D&O Claims), and each Affected Creditor will thereafter be deemed to have forever released Newsco and its current and former directors, officers, employees and agents of any and all debts, liabilities, suits, claims and causes of action that it has, had, or may have for any matter, cause or anything existing as of the date of the Proposal.

7.2 On the Effective Date, all Affected Creditors will be deemed to have consented and agreed to all of the provisions of this Proposal in its entirety. For greater certainty, each such Affected

Creditor will be deemed to have waived any default by Newsco in any provision, express or implied, in any agreement existing between the Affected Creditor and Newsco that has occurred on or prior to the Filing Date, and to have agreed that, to the extent that there is any conflict between the provisions of any such agreement and the provisions of the Proposal, the provisions of this Proposal take precedence and priority and the provisions of any such agreement are amended accordingly.

7.3 Sections 95 to 101 of the Act and any other laws relating to preferences, fraudulent conveyances or transfers at undervalue shall not apply to this Proposal or to any payment or distributions made in connection with the Proposal whether made before or after the Filing Date, including to any transactions contemplated by or implemented pursuant to, the Proposal, or to which the Proposal is conditional or dependent upon.

7.4 Newsco covenants and agrees that during the course of the Proposal, it will remit to the CRA all amounts associated with payroll deductions (income tax deductions, Canada Pension Plan contributions and Employment Insurance premiums) if applicable and will file income tax returns and pay income taxes as required by the ITA.

7.5 This Proposal may be amended by Newsco prior to or at the Creditors' Meeting.

Dated at the City of Calgary, in the Province of Alberta this 19TH day of April, 2021.

NEWSCO INTERNATIONAL ENERGY
SERVICES INC

Per: 

William Melville
President and CEO

SCHEDULE "A"

Critical Suppliers

Aadya E-Travel
ABS International Holdings Limited
Ajoy Koch & Co.
Alpha Services
Anil K Badhwar
Ashik Patowary
Ashini Kumar Chetia
ASSAM PETROLEUM LIMITED
Bedanta Chetia
Central Processing Cell – TDS
DD Services
Dolphin Enterprises
Eco & Agro Movers Pvt. Ltd.
Employees Provident Fund Organisation
Finanic Services
Garg Sales Corporation
Gaurav Sahni HUF
Gautam Sahni HUF
K. V. Enterprises
K.S. ENTERPRISES
Labour Welfare Fund Office
M/S Muzzamil Islam Ali
MRA Oil Feild Services
North East Logistics
Oil Feild Warehouse & Services Ltd.
Oil Well Tools Services and Supplies Pvt. Ltd.
Omkar Clearing Forwarding Pvt. Ltd.
Proactive Facilities Pvt. Ltd.
Prodip Sarma
Safe & Trust Logistics
Sanjay Art Printers
Scorpion Mechanical Components Pvt. Ltd.
Standard Instrumentation System
V Sankar Aiyar & Co.
Vaishnavi Engineering

SCHEDULE "B"

Terminated Newsco Employees

1. Curtis Lee
2. Jean-Yves Lalande
3. Cindy McCubbin
4. Patti-Jo Russell

COURT FILE NUMBER 25-2681862
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
APPLICANT NEWSCO INTERNATIONAL ENERGY SERVICES
INC.

DOCUMENT **REPORT OF PROPOSAL TRUSTEE ON
PROPOSAL
BDO CANADA LIMITED
APRIL 22, 2021**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
Osler, Hoskin & Harcourt LLP
Suite 2500, TransCanada Tower
450 – 1st Street S. W.
Calgary, Alberta, Canada T2P 5H1
Phone: 403-260-7060
Fax: 403-460-7024
Email: rvandemosselaer@osler.com

Attention: Randal Van de Mosselaer

**REPORT OF PROPOSAL TRUSTEE ON PROPOSAL
BDO CANADA LIMITED
APRIL 22, 2021**

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INTRODUCTION

1. On October 20, 2020 (“**NOI Filing Date**”), Newsco International Energy Services Inc. (“**Newsco**” or the “**Company**”) filed a Notice of Intention to Make a Proposal (the “**NOI**”) pursuant to the *Bankruptcy & Insolvency Act* (the “**BIA**”). BDO Canada Limited consented to act as trustee (the “**Proposal Trustee**”).
2. Since the NOI Filing Date, upon the applications of the Company, the Court of Queen’s Bench of Alberta (the “**Court**”) has granted four Orders extending the time in which Newsco must file its proposal to its creditors (the “**Proposal**”), the most recent of which extended the filing deadline to April 19, 2021.
3. Additionally, and since the NOI Filing Date, upon the applications of the Company, the Court further issued:
 - i. an Order authorizing the payments of certain employee obligations;
 - ii. an Order authorizing payments to identified pre-filing critical suppliers (the “**Critical Suppliers**”);
 - iii. an Order establishing an administration charge for the professionals in these proposal proceedings (the Proposal Trustee, the Proposal Trustee’s legal counsel and Newsco’s legal counsel, collectively referred to hereinafter as the “**Chargees**”) to a maximum of \$150,000 (the “**Administration Charge**”) and authorizing the Company to pay the fees and disbursements of the Chargees;
 - iv. a Sale Approval and Vesting Order approving the sale transaction (the “**Sale Transaction**”) of substantially all of Newsco’s assets utilized in North America to Sawafi Newsco USA, LLC. (the “**Purchaser**”); and
 - v. a Claims Procedure Order to help facilitate the efficient administration of the Proposal and treatment of creditor claims (the “**Claims Procedure**”), discussed further below.
4. On April 19, 2021, the Company filed its proposal to creditors (the “**Proposal**”).

5. A creditors' meeting will be held to consider and vote on the Proposal on May 10, 2021 at 10:00 a.m. MDT and in adherence with COVID-19 measures, the meeting will be held via conference call.
6. Claimants do not have to attend the creditors' meeting to vote on the Proposal, but can vote on the Proposal by completing the voting letter included in the Proposal Trustee's mailing to claimants and indicating their vote **FOR** or **AGAINST** the Proposal. Claimants can also appoint a person to represent them at the creditors' meeting by submitting a properly completed proxy form. The proxy may be given in favour of the Proposal Trustee or any individual representing you. All corporations must name a proxy.
7. The following information is provided to assist creditors in evaluating the Company's affairs and the Proposal.
8. The purpose of this report (the "**Proposal Trustee's Report on Proposal**") is to provide the Company's creditors with information on the following:
 - background information in respect of the Company and its current status;
 - the terms of the Proposal;
 - the Company's current financial position and an estimated liquidation analysis;
 - the conduct of the Company;
 - the Proposal Trustee's remuneration; and
 - the Proposal Trustee's recommendation to creditors.

TERMS OF REFERENCE

9. In preparing this Proposal Trustee's Report on Proposal to the creditors, the Proposal Trustee has relied upon unaudited financial information, records of the Company and discussions with the Company's management ("**Management**") and the Company's legal counsel as well as an independent third party appraisal prepared by GB Appraisal Canada, ULC ("**Gordon Brothers**"). The Proposal Trustee has not performed an audit, review or other verification of such information.
10. The Proposal Trustee's Report has been prepared pursuant to the BIA and should not be construed or interpreted as an endorsement or recommendation to any creditor or prospective investor to advance credit or goods and services to Newsco or to invest in the Company.
11. All amounts in this Proposal Trustee's Report are reported in Canadian currency. The Company's books and records are reported in USD. Unless otherwise indicated, the Proposal Trustee has converted all USD amounts at the rate of \$1.253 CDN for \$1 USD, the exchange rate reported by the Bank of Canada as at the close of business April 15, 2021.
12. Capitalize terms used herein take on the definitions given to them either within the Proposal or the Proposal Trustee's Report.

BACKGROUND

13. Newsco was incorporated on August 8, 2008 and is a privately owned Company. Mr. William Melville is its sole director.
14. Newsco is an international directional drilling and measurement-while-drilling ("**MWD**") service company with operations in North America, India, and Peru. Newsco's customers are upstream oil and gas producers.

15. Newsco's operations in the United States and Peru were carried out through subsidiaries. The US subsidiaries, Newsco International Energy Services USA Inc. (“**Newsco USA**”) and Telemetry USA Inc. (“**Telemetry**”), are a wholly owned subsidiaries of Newsco International Holdings (USA) Inc. (“**Newsco USA Holdings**”), and have no active jobs. Newsco USA filed for restructuring under Chapter 11 of the US Bankruptcy Code in December 2019. The Peruvian subsidiary, Newsco Directional Drilling (Peru) S.A.C. (“**Newsco Peru**” collectively with Newsco USA the “**Subsidiaries**”), similarly has no active jobs, and Newsco does not expect to receive any return from Newsco Peru in the foreseeable future. Newsco USA has since been sold effective February 1, 2021 to a new owner pursuant to a restructuring plan under Chapter 11 of the US Bankruptcy Code. All of the inventory and equipment assets of Telemetry were also sold effective February 1, 2021 (further information on Telemetry is set forth below).
16. The Subsidiaries are separate legal entities and are not a part of these proposal proceedings.
17. Given the sustained long-term pressure on oil and gas commodity prices in recent years, Newsco's revenues have been negatively affected by lower drilling activity by its customers. This challenge has been severely exacerbated by the COVID-19 pandemic and further decreases in commodity prices. More specifically:
- i. lower demand for directional drilling and MWD services have resulted in increased competition and downward pressure on the prices that Newsco can obtain for its services. Newsco has been required to provide its services to ongoing customers at discounted prices, shrinking Newsco's margins;
 - ii. a number of Newsco's customers themselves have been unable to carry on in business and have become insolvent or been liquidated;
 - iii. other customers have cancelled planned projects with Newsco;

- iv. certain of Newsco's long-term fixed costs, such as its premises rental costs, had been incurred at a time when Newsco's business levels and revenues were more robust, and could not be reduced to correspond with Newsco's reduced business levels; and
- v. under Newsco's previous ownership, Newsco was party to major litigation relating to an asset purchase agreement. Newsco was ultimately unsuccessful in this litigation that proved to be a drain on Newsco's resources.

18. In light of the above, Newsco currently has had no active jobs in Canada since 2019 and has reduced its local staffing levels to a skeleton administrative staff.

19. Notwithstanding its struggles in North America, Newsco continues to generate income from ongoing projects from its operation in India (the "**Indian Operations**"). The Indian Operations are conducted as a division of Newsco rather than by way of a separate legal entity.

20. As a result of the foregoing, Newsco found itself unable to maintain its day-to-day operations and debt obligations. Accordingly, the Company filed the NOI in an effort to attempt to stabilize its financial situation and seek a settlement with its creditors.

21. Subsequent to the NOI Filing Date, Newsco and the Purchaser closed the Sale Transaction on February 22, 2021. The proceeds from the sale were paid to the Company's legal counsel to be held in trust, to be disbursed, as approved by the Court Order's identified above in paragraph 3, as follows:

- i. to its Critical Suppliers, being suppliers of its Indian Operations, as necessary;
- ii. to pay all employee obligations, consisting of outstanding and future wages, salaries, benefits, vacation pay and expenses; and
- iii. to pay the fees and disbursements owed to the Chargees.

(collectively the "**Authorized Payments**")

22. The Company intends to use the surplus funds from the proceeds of the Sale Transaction, after payment of the Authorized Payments, to fund a Proposal (the “**Distribution Fund**”) to its unsecured creditors, excluding the Critical Suppliers who shall remain unaffected by the Proposal (the “**Unsecured Creditors**”), and the Judith Melville Secured Claim (defined below) (the Judith Melville Secured Claim together with the Unsecured Creditors the “**Affected Creditors**”). The disbursement of the Distribution Fund is further detailed in the Schedule of Estimated Realization below in this Proposal Trustee’s Report on Proposal. The Affected Creditors specifically exclude the Critical Suppliers. At this time, the Distribution Fund is estimated to be \$320,000; however, the quantum available may ultimately vary based on the final quantum of the Authorized Payments.

SIGNIFICANT TERMS OF THE PROPOSAL

23. The Company’s assets are fully encumbered by various general security agreements (“**GSA’s**”) in favour of:

- Judith Melville - estimated amount owed \$57,800 (the “**Judith Melville Secured Claim**”);
- Buffalo Oilpatch Supply Inc. (“**Buffalo**”) - estimated amount owed \$1,387,700;
- Edmond Michael Melville (“**E. Melville**”) - estimated amount owed \$250,000;
- William Melville (“**W. Melville**”) - estimated amount owed \$40,000; and
- Bill Melville Productions Ltd. (“**Melville Productions**”) - estimated amount owed \$125,000.

(collectively, the “**Secured Creditors**” and excluding Judith Melville, the “**Unaffected Secured Creditors**”)

24. Despite the various and competing security interests over the Company’s assets, the Unaffected Secured Creditors, have agreed to allow the Company to use the entire Distribution Fund to fund the Proposal and have waived any claim that they would otherwise have to the Distribution Fund.

25. In the event that the statutory majority of the Unsecured Creditors and the Court approves the Proposal, the Distribution Fund will be utilized as follows:

- the Administrative Fees and Expenses will be paid in priority to all creditors' claims;
- all amounts owing to Canada Revenue Agency that could be subject to a demand under subsection 224(1.2) of the *Income Tax Act* or under any substantially similar provision of provincial legislation, that were outstanding at the NOI Filing Date, shall be paid in full within 6 months after Court approval of the Proposal. Based on available information, the Proposal Trustee is not aware of any amount owing under this category;
- the Judith Melville Secured Claim shall be paid in full;
- Preferred Creditors will be paid in full in priority to the Unsecured Creditors, including the statutory severance claims of terminated employees;
- the Unsecured Creditors will receive the balance of the remaining funds, to be divided on a pro rata basis, in full and final settlement of their proven ordinary claims; and
- All payments to creditors are subject to a levy payable to the Superintendent of Bankruptcy pursuant to section 147 of the BIA, calculated at 5 percent.

26. The Unaffected Secured Creditors shall be paid in accordance with the existing arrangements between the Company and those Unaffected Secured Creditors, or as may be arranged between the Company and the Unaffected Secured Creditors.

27. Critical Suppliers shall be addressed by the Company in the ordinary course.

28. If the statutory majority of Unsecured Creditors and the Court approve the Proposal:

- a. the Proposal will become legally binding on the Company and all Unsecured and Preferred Creditors; and

- b. Creditors will not be able to pursue any claims against the Company’s directors that arose prior to the NOI Filing Date and that relate to the obligations of the Company where the directors are by law liable in their capacity as directors for the payment of such obligation (excepting those claims described in s.50(14) of BIA.

29. If the Unsecured Creditors reject the Proposal, the Company will be deemed to have filed an assignment in bankruptcy.

30. **Readers are cautioned that the foregoing summary is meant only as a simplified overview.** The Proposal contains terms and conditions which are not set out above. In the event of any conflict between the summary set out herein and the Proposal, the terms of the Proposal will prevail. Creditors are therefore urged to read the Proposal in its entirety and, if considered necessary, to consult with their professional advisors.

IDENTIFICATION AND EVALUATION OF ASSETS

31. As identified above, the assets of the Company are subject to various encumbrances of the Secured Creditors. The Proposal Trustee has obtained an independent legal opinion from its counsel, Osler, Hoskin & Harcourt LLP (“**Osler**”), confirming the validity and enforceability of the security held by Judith Melville and Buffalo. The Proposal Trustee has not incurred the cost of obtaining a legal opinion of the respective securities held by E. Melville, W. Melville or Melville Productions at this time as they are effectively redundant for purposes of the contemplated terms of the Proposal.

32. Based on the above, the Proposal Trustee is of the opinion that the Company’s assets are **fully encumbered** and believes the Secured Creditors would suffer a shortfall from realizations in the event of the alternative of a bankruptcy proceeding, in which case no funds would be available for Unsecured Creditors

33. The Proposal Trustee has identified the following assets of the Company, which, as discussed above, are fully encumbered:

a. Cash

The Company's books and records as of February 28, 2021, reported Cash and Cash Equivalent of \$51,400. The Company continues to utilize its available cash to fund its Indian Operations. The Company forecasts that all remaining funds will be exhausted by the time the Proposal is approved and implemented.

b. Accounts Receivable - Trades ("A/R Trades")

The book value of the Company's A/R Trades was approximately \$723,000 as at February 28, 2021. Management is confident that most of the A/R Trades are collectable, with the exception of an estimated \$66,400 deemed uncollectible.

The A/R Trades is broken up further between the Indian Operations and Canada as follows:

- A/R Trades (Canada) - \$104,750, of which approximately 96.5% is over 90 days; and
- A/R Trades (Indian Operations) - \$618,250 of which approximately 21% is over 90 days.

The Proposal Trustee estimates that A/R Trades will have a lower realizable value in a bankruptcy scenario. The realizable value reflects the following:

- Certain aged receivables will be deemed uncollectible;
- the Company's management may be less inclined to assist in the collection process in a bankruptcy shut-down;
- Customers may be less receptive to the accounts receivable collection efforts of a trustee in bankruptcy;
- a trustee in bankruptcy will incur additional costs; and
- The Secured Creditors may enforce their rights under their security.

c. Accounts Receivable – Interco (“A/R Interco”)

The book value of the Company’s A/R Interco was approximately \$3,130,000 as at February 28, 2021. Management advises the A/R Interco has accumulated over the years through the sale of parts, allocation of costs, etc. Management is further of the opinion the collection of A/R Interco is doubtful considering the current state of the entities having no operations.

The A/R Interco is due mainly from two entities:

- i. *Newsco Peru* – Estimated A/R Interco totaling \$1,343,500. As reported above, Newsco Peru has no active jobs and management does not expect any return from Newsco Peru in the foreseeable future. Management has provided the Proposal Trustee with Newsco Peru’s internal financial statements as of January 31, 2021 (the “**Peru Financials**”). A review of the Peru Financials suggests Newsco Peru is insolvent as its liabilities far exceed the net book value of reported assets. Management further advises:
 - Despite a net book value (“**NBV**”) of approximately \$900,000, Newsco Peru’s machinery and equipment is very old and outdated for the North American market;
 - Newsco Peru is depreciating its assets at 5%, thereby artificially increasing the NBV reported;
 - Newsco Peru’s records report Inventory of approximately \$760,500, most of which is old parts and proprietary to Newsco Peru’s tools. Management does not ascribe any realizable value to their Inventory at this time;

- Newsco Peru owns a building located in a small town far from the city. Book value of the real property is approximately \$430,000, however, management does not ascribe much market value to the real property;
- Newsco Peru has multiple legal actions ongoing for which adequate provisions have not been made;
- Newsco has been attempting to sell Newsco Peru for last 4 years and has not been successful;
- the depressed economic situation plus the unknown employment dues as a result of the termination of employees further adds to the difficulty in selling the business.

Given the above and the likelihood that Newsco Peru is insolvent, management advises the Interco A/R is uncollectible and will be written off. The Proposal Trustee has not undertaken a formal valuation of Newsco Peru's assets or audit of its books and records.

- ii. *Telemetrix USA Inc.* - Estimated A/R Interco totaling \$1,755,000. Telemetrix is a wholly owned subsidiary of Newsco USA Holdings, whose other wholly owned subsidiary, Newsco USA, just completed its own Chapter 11 restructuring. Management has provided the Proposal Trustee with Telemetrix's internal financial statements as of April 20, 2021 (the "**Telemetrix Financials**"). A review of the Telemetrix Financials suggests Telemetrix is insolvent. The Telemetrix Financials report approximately \$116,000 in cash and \$4,500 in accounts receivable, which is insufficient to cover current liabilities of Telemetrix. Management further advises:
- Telemetrix has no operations;
 - Telemetrix has no tangible assets or inventory;

- Management’s intention is to file tax returns current and shut down operations; and
- The existing funds will be used for legal fees, professional fees, tax filing, etc.

Given the above and the likelihood that Telemetrix is insolvent, management advises the Interco A/R is uncollectible and will be written off. The Proposal Trustee has not undertaken a formal valuation of Telemetrix’s assets or audit of its books and records.

d. Furniture and fixtures (“Furniture”)

The Company’s Furniture consists of office furniture, computers and related hardware. The book value of the Company’s parts is \$36,540, as at February 28, 2021. The Proposal Trustee is of the opinion, that in the event of bankruptcy, there would be minimal, if any realizable value in the Furniture.

e. Machinery and equipment (“Equipment”)

The Company’s remaining Equipment consists of certain horizontal and directional drilling tools, electromagnetic telemetry, gamma tools and related support equipment. The majority of the Equipment is located at Newsco’s Indian Operations or customer work sites in India.

The Proposal Trustee retained Gordon Brothers to provide an appraisal of the Equipment. Gordon Brothers opined the forced liquidation value of the Equipment, as at March 8, 2021, to be \$677,785 before related liquidation/disposition costs, which may be substantial considering the location and nature of the Equipment. Gordon Brothers valued the Equipment located in India at approximately \$538,790, and the Equipment located in Canada at approximately \$139,000.

Gordon Brothers further opined that due to the depressed nature of the oil and gas market, the economic environment for the exploration of oil and gas has greatly diminished. This has caused uncertainty in the need for assets used specifically or primarily in the oil and gas industry, which may affect the demand/interest and realizable value for the Company's Equipment.

f. Inventory

The Company's inventory consists of various parts. The book value of the Company's parts is \$939,750, as at February 28, 2021. Gordon Brothers opined the forced liquidation value of the Inventory, as at March 8, 2021, to be \$50,000 before related liquidation/disposition costs. Management advises the Inventory is made up of proprietary items and old parts which would be difficult to sell on the market. The Gordon Brothers valuation reflects this.

g. Taxes withheld

The Company books and records report a current tax asset of approximately \$167,900. Management advises this is the tax withheld by Indian customers on projects. Upon filing its tax returns in India, this tax withheld will either be applied to taxes owing, or will be refunded to Newsco. Management believes it will take two years for a final determination.

h. Cash Security India

The Company has provided ICICI Bank Canada with cash collateral totaling approximately \$753,000 as guarantee for the completion of certain projects under the Indian Operations. The guarantees are set to expire December 31, 2022 and September 30, 2023. In the event Newsco breaches customer contracts, the cash collateral will be called upon. Accordingly, in the event of bankruptcy proceeding, it is highly unlikely a trustee in bankruptcy would continue the Indian Operations, and thus the Proposal Trustee does not ascribe

any value to this cash collateral.

i. Investment in Subsidiaries

As mentioned earlier in this Proposal Trustee's Report on Proposal, the Subsidiaries are not a part of these proceedings. In the event of the bankruptcy of Newsco, the trustee in bankruptcy would control the shares of the Subsidiaries. As noted above, Newsco USA filed for restructuring under Chapter 11 of the US Bankruptcy Code in December 2019. The Proposal Trustee is of the opinion, in the event of a bankruptcy, there would be no realizable value in the shares of Newsco USA Holdings.

Further, Newsco Peru has no active jobs, and Newsco does not expect to receive any return from Newsco Peru in the foreseeable future. In addition, and as reported above, a review of the Peru Financials evidences the company to be insolvent. Accordingly, it is the Proposal Trustee's opinion, that in the event of a bankruptcy, there would be no realizable value in the shares of Newsco Peru.

j. Prepaid

The Company's books and records report Prepaid Expenses of approximately \$17,500. The Trustee estimates that the Prepaid Expenses have no realizable value in a bankruptcy scenario as they will be applied toward current arrears, damages, etc.

ESTIMATED REALIZATION TO CREDITORS

34. A Schedule of Estimated Realization comparing the estimated realization in bankruptcy scenario to the estimated realization from the offered Proposal is outlined below:

	Per books at February 28, 2021 (unaudited)	Estimated realization in a bankruptcy	Proposal
Estimated gross realization from assets, note 1			
Cash	\$ 51,400	\$ -	
Accounts receivable - Trades	723,000	656,600	
Accounts receivable - Interco	3,130,000	Nil	
Furniture	36,540	Nil	
Equipment (net of liquidators cost), note 2	924,000	572,000	
Inventory	939,750	50,000	
Tax refunds	167,900	Nil	
Cash security (India)	753,000	Nil	
Investment in Subsidiaries	1	Nil	
Prepaid	17,500	Nil	
Sale proceeds	-	320,000	
Proposal funding			\$ 320,000
Estimated gross realization from assets	<u>\$ 6,743,091</u>	<u>1,598,600</u>	<u>320,000</u>
Estimated amount available for total distribution		<u>\$ 1,598,600</u>	<u>\$ 320,000</u>
Estimated Secured Claims, note 3		\$ 1,861,000	\$ 57,800
Estimated distribution		<u>1,278,600</u>	<u>57,800</u>
Total distribution to Secured Creditors		<u>\$ 1,278,600</u>	<u>\$ 57,800</u>
Estimated amount available for total distribution/(shortfall)		<u>\$ (262,400)</u>	<u>\$ 262,200</u>
Estimated amount available for distribution to Preferred Creditors		<u>\$ -</u>	<u>\$ 262,200</u>
Estimated claims of preferred creditors		\$ 50,500	\$ 50,500
Estimated distribution			
Superintendent's levy		-	2,525
Distribution to Preferred Creditors		-	47,975
Total dividend and levy to Preferred Creditors		<u>\$ -</u>	<u>\$ 50,500</u>
Estimated amount available for distribution to Unsecured Creditors		<u>\$ -</u>	<u>\$ 211,700</u>
Estimated claims of unsecured creditors		\$ 2,700,000	\$ 2,700,000
Estimated distribution			
Superintendent's levy		-	10,585
Distribution to Unsecured Creditors		-	201,115
Total dividend and levy to Unsecured Creditors		<u>\$ -</u>	<u>\$ 211,700</u>
Estimated distribution to Unsecured Creditors		<u>0%</u>	<u>8%</u>

Notes:

1. In the event of a bankruptcy scenario, it is anticipated the Secured Creditors will enforce under their security and will incur a shortfall in their efforts. Accordingly, the Trustee does not anticipate any surplus assets available for the general benefit of creditors in the event of bankruptcy.
2. The forced liquidation realization for the Equipment and Inventory does not include the additional costs to realize that will be incurred by the trustee in bankruptcy. These costs may include, but are not limited to, occupation costs, utilities, disposal, insurance, maintenance and repairs.
3. For the sole purpose of the proposal filing, the Unaffected Secured Creditors have agreed to forgo their priority to the Distribution Fund to allow the Company to make a proposal to its creditors. The Judith Melville Secured Claim will participate in the proposal.

35. The estimated total claim of the Secured Creditors is \$1,861,000. Given the above analysis and assumptions, we estimate the recoveries available for Unsecured Creditors in the event of bankruptcy to be \$Nil. The Proposal provides for a recovery of approximately 8 percent for Unsecured Creditors.

CONDUCT OF THE COMPANY

36. In or around November 2019, Newsco granted security, in the form of a GSA, to Buffalo. The Proposal Trustee has satisfied itself that this grant of security was pursuant to an agreement which dates back to April 2017, and hence does not raise the issue of a reviewable transaction.

37. Further, the Proposal Trustee is not aware of any preferential payments or transfers made at undervalue which would be pursuable according to the BIA; however, the Proposal Trustee has not undertaken a review of the books and records of the Company or reviewed the details of any historical transactions.

38. In the Proposal Trustee's view, management has been working diligently and with good faith to formulate the Proposal and provide all relevant information to the Proposal Trustee.

PROPOSAL TRUSTEE'S REMUNERATION

39. The Proposal Trustee's fees and expenses, and those of its legal counsel, will be based on the time spent by the Proposal Trustee, and its counsel, and members of its staff at their respective billing rates plus any out of pocket expenses incurred.

PROPOSAL TRUSTEES RECOMMENDATIONS

40. If the Proposal is rejected, the Company will be deemed bankrupt. The Secured Creditors would proceed to realize on the assets to recovery their security. The assets of the Company are fully encumbered; accordingly, the anticipated recovery under a bankruptcy scenario is expected to be \$Nil. The Proposal provides a greater recovery for the Unsecured Creditors.

41. The main advantages of the Proposal are as follows:

- Management has co-operated with maximizing realization of the Company's assets for the benefit of creditors, and at a cost more economical than a bankruptcy trustee would have incurred;
- Management has negotiated the ability of using a portion of the liquidation proceeds, which would otherwise be subject to the Secured Creditors respective security, for the benefit of the Affected Creditors under the proposal administration;
- Unsecured Creditors will experience a recovery that they would otherwise not obtain in a bankruptcy;
- The Secured Creditors hold GSA's over all of the Company's assets. It is anticipated in a bankruptcy the Secured Creditors will enforce on their security, and will suffer a shortfall on their realization. There will be no surplus assets available for the general benefit of creditors; and
- A quantum and timing of the recovery to the Unsecured Creditors is certain.

42. Based on all of the information that has come to the Proposal Trustee's attention to date, the Proposal Trustee recommends that the Unsecured Creditors accept the Company's Proposal.

Dated at Calgary, Alberta this 22nd day of April 2021.

BDO Canada Limited,
in its capacity as Trustee of the Proposal of Newsco International Energy Services Inc.
and not in its personal or corporate capacities



Per: Peter Naumis
Vice President



Marc Kelly
Senior Vice President

District of: Alberta
Division No. 02 - Calgary
Court No. 25-2681862
Estate No. 25-2681862

FORM 37

Voting Letter
(Paragraph 51(1)(f) of the Act)

In the matter of the proposal of
Newsco International Energy Services Inc.
of the City of Calgary, in the Province of Alberta

I, _____, creditor (or I, _____, representative of
_____, creditor), of _____, a creditor in the above matter for the sum
of \$ _____, hereby request the trustee acting with respect to the proposal of Newsco International
Energy Services Inc., to record my vote _____ (for or against) the acceptance of the proposal as made
on the _____ day of _____, _____.

Dated at _____, this _____ day of _____.

Witness

Individual Creditor

Witness

Name of Corporate Creditor

Per _____
Name and Title of Signing Officer

Return To:

BDO Canada Limited / BDO Canada Limitée - Licensed Insolvency Trustee
110 5800 2 St SW.
Calgary AB T2H 0H2
Phone: (825) 509-0394 Fax: (877) 454-0158
E-mail: jlbeauchamp@bdo.ca

District of: Alberta
Division No. 02 - Calgary
Court No. 25-2681862
Estate No. 25-2681862

FORM 36
Proxy
(Subsection 102(2) and paragraphs 51(1)(e) and 66.15(3)(b) of the Act)

In the matter of the proposal of
Newsco International Energy Services Inc.
of the City of Calgary, in the Province of Alberta

I, _____, of _____, a creditor in the above matter, hereby appoint
_____, of _____, to be my proxyholder
in the above matter, except as to the receipt of dividends, _____ (with or without) power to appoint another
proxyholder in his or her place.

Dated at _____, this _____ day of _____, _____.

Witness

Individual Creditor

Witness

Name of Corporate Creditor

Per _____
Name and Title of Signing Officer

Return To:

BDO Canada Limited / BDO Canada Limitée - Licensed Insolvency Trustee
110 5800 2 St SW.
Calgary AB T2H 0H2
Phone: (825) 509-0394 Fax: (403) 640-0591
E-mail: jlbeauchamp@bdo.ca



B201 681862
COURT FILE NUMBER 25-2681862
COURT COURT OF QUEEN'S BENCH OF ALBERTA 401986
JUDICIAL CENTRE CALGARY ENTERED

IN THE MATTER OF THE BANKRUPTCY AND
INSOLVENCY ACT, RSC 1985, C. B-3, AS AMENDED
AND IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF NEWSCO
INTERNATIONAL ENERGY SERVICES INC.

DOCUMENT **ORDER (Claims Procedure)**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

BENNETT JONES LLP
Barristers and Solicitors
4500, 855 – 2nd Street S.W.
Calgary, Alberta T2P 4K7

Attention: Chris Simard
Telephone No.: 403-298-4485
Fax No.: 403-265-7219
Client File No.: 88912.3

DATE ON WHICH ORDER WAS PRONOUNCED: April 19, 2021
LOCATION WHERE ORDER WAS PRONOUNCED: Calgary
NAME OF JUSTICE WHO MADE THIS ORDER: Madame Justice L. B. Ho

UPON the application of Newsco International Energy Services Inc. ("Newsco" or the "Applicant") pursuant to the BIA for an order approving a procedure for the determination and resolution of claims against the Applicant and authorizing and directing the Applicant and the Proposal Trustee (as defined below) to administer the said claims procedure in accordance with its terms;

AND UPON having read the Notice of Application and the Affidavit No. 6 of William Melville, sworn on April 19, 2021 the "Melville Affidavit No. 6"); AND UPON reading the Sixth

Report of BDO Canada Limited, the Court-appointed Proposal Trustee of the Applicant (the "**Proposal Trustee**"); AND UPON hearing the submissions of counsel for the Applicant, counsel for the Proposal Trustee, and counsel for other interested parties;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE OF APPLICATION

1. Service of notice of this Application and supporting documents is hereby deemed to be good and sufficient, the time for notice is hereby abridged to the time provided, and no other person is required to have been served with notice of this Application.

DEFINITIONS

2. In this Order:
 - (a) "**Administration Charge**" means the Administration Charge as defined in the Order of Justice Dario dated November 19, 2020;
 - (b) "**Administrative Fees and Expenses**" means the fees and expenses of the Proposal Trustee and its counsel, as well as the legal fees and disbursements of Newsco and of the Proposal Trustee, on or incidental to this Proposal and the proceedings arising out of this Proposal, including all fees and expenses secured by the Administration Charge;
 - (c) "**BIA**" means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended;
 - (d) "**BIA Proceedings**" mean the proceedings commenced by the Applicant under the BIA in the Court, under Action No. 25-2681862;
 - (e) "**Business Day**" means a day, other than a Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Calgary, in the province of Alberta, Canada;
 - (f) "**Calendar Day**" means a day, including Saturday, Sunday and any statutory holidays in the province of Alberta, Canada;

(g) **"Claim"** means:

- (i) any right or claim of any Person that may be asserted or made in whole or in part against the Applicant, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including without limitation, by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature including, without limitation, any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action whether existing at present or commenced in the future, which indebtedness, liability or obligation, and any interest accrued thereon or costs payable in respect thereof (A) is based in whole or in part on facts and events occurring prior to the Filing Date, (B) relates to a time period prior to the Filing Date, or (C) is a right or claim of any kind that would be a debt provable in bankruptcy within the meaning of the BIA had the Applicant become bankrupt on the Filing Date;
- (ii) a Restructuring Period Claim;
- (iii) a D&O Claim;
- (iv) a D&O Indemnity Claim; and

(v) a Secured Claim;

provided, however, that "Claim" shall not include an Excluded Claim;

- (h) "**Claimant**" means any Person asserting a Claim and includes without limitation the transferee or assignee of a Claim transfer and recognized as a Claimant in accordance with paragraph 26 hereof or a trustee, executor, liquidator, receiver, receiver and manager, or other Person acting on or behalf of or through such Person;
- (i) "**Claims Bar Date**" means 10:00 a.m. Calgary time on May 10, 2021, or any later time or date ordered by the Court;
- (j) "**Claims Package**" means the materials to be provided by the Proposal Trustee to Known Claimants, which materials shall include a Notice to Claimant and a Notice of Dispute of Claimant;
- (k) "**Claims Procedure**" means the procedures outlined in this Order, including the Schedules;
- (l) "**Court**" means the Court of Queen's Bench of Alberta in the Judicial Centre of Calgary;
- (m) "**Creditors' Meeting**" means the meeting of creditors called for the purpose of considering and voting in respect of the Proposal on May 10, 2021, or any later date to which such meeting is postponed or adjourned, or ordered by the Court;
- (n) "**D&O Claim**" means:
- (i) any right or claim of any Person that may be asserted or made in whole or in part against one or more Directors or Officers that relates to a Claim for which such Directors or Officers are by law liable to pay in their capacity as Directors or Officers; or
 - (ii) any right or claim of any Person that may be asserted or made in whole or in part against one or more Directors or Officers, in that capacity, whether

or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation, and any interest accrued thereon or costs payable in respect thereof, is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature, including any right or ability of any Person to advance a claim for contribution or indemnity from any such Directors or Officers or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation, and any interest accrued thereon or costs payable in respect thereof (A) is based in whole or in part on facts and events occurring prior to the Filing Date, or (B) relates to a time period prior to the Filing Date

provided, however, that "D&O Claim" shall not include any D&O Claim that cannot be compromised under the BIA;

- (o) **"D&O Indemnity Claim"** means any existing or future right of any Director or Officer against the Applicant which arose or arises as a result of any Person filing a Proof of Claim in respect of such Director or Officer for which such Director or Officer is entitled to be indemnified by the Applicant;

- (p) "**Director**" means anyone who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, a director or *de facto* director of the Applicant;
- (q) "**Excluded Claim**" means, without prejudice to the Applicant's right to seek amendments to this Claims Procedure Order and to propose a treatment of claims under the Proposal, and subject to further order of the Court, and only for the purposes of this Claims Procedure:
- (i) Administrative Fees and Expenses;
 - (ii) Post-Filing Claims;
 - (iii) the Unaffected Secured Claims; and
 - (iv) the portion of a Claim arising from a cause of action for which the Applicant is fully insured.
- (r) "**Filing Date**" means October 20, 2020, the date on which the Applicant filed the Notice of Intention;
- (s) "**Governmental Authority**" means a federal, provincial, state, territorial, municipal or other government or government department, agency or authority (including a court of law) having jurisdiction over the Applicant or its business;
- (t) "**Judith Melville Secured Claim**" means the Secured Claim related to the secured loan made by Judith Melville to Newsco in the amount of \$50,000 on or about November 21, 2019, plus all accrued interest and expenses;
- (u) "**Known Claimant**" means:
- (i) any Person who, based upon the books and records of the Applicant, was owed monies by the Applicant as of the Filing Date and which monies remain unpaid in whole or in part; and

- (ii) any Person who is a party to a lease, contract, or other agreement or obligation of any of the Applicant which was restructured, disclaimed, resiliated, terminated, or breached by the Applicant between the Filing Date and the date of this Order;

but shall not include those Persons who have Excluded Claims.

- (v) "**Notice to Claimant**" means a notice referred to in paragraph 14 hereof, substantially in the form attached as **Schedule "A"** hereto, delivered to a Claimant and stating the classification of the Claimant's claim and the amount, if any, owing directly by the Applicant to a Claimant up to the Filing Date;
- (w) "**Notice to Unknown Claimants**" means a notice referred to in paragraph 17 hereof, substantially in the form attached as **Schedule "G"** hereto;
- (x) "**Notice of Dispute of Claimant**" means the notice referred to in paragraph 14 hereof, substantially in the form attached as **Schedule "B"** hereto, which may be delivered to the Proposal Trustee by a Claimant disputing a Notice to Claimant, with reasons for its dispute;
- (y) "**Notice of Dispute of Revision or Disallowance**" means the notice referred to in paragraph 20 hereof, substantially in the form attached as **Schedule "D"** hereto, which may be delivered to the Proposal Trustee by a Claimant disputing a Notice of Revision or Disallowance, with reasons for its dispute;
- (z) "**Notice of Intention**" means the Applicant's Notice of Intention to Make a Proposal dated October 20, 2020;
- (aa) "**Notice of Revision or Disallowance**" means the notice referred to in paragraphs 20 and 21 hereof, substantially in the form of **Schedule "C"** advising a Claimant that the Applicant has revised or rejected all or part of such Claimant's Claim set out in its Proof of Claim;

- (bb) "**Officer**" means anyone who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, an officer or *de facto* officer of the Applicant;
- (cc) "**Person**" is to be broadly interpreted and includes any individual, firm, corporation, limited or unlimited liability company, general or limited partnership, association, trust, unincorporated organization, joint venture, Governmental Authority or any agency, officer or instrumentality thereof or any other entity, wherever situate or domiciled, and whether or not having legal status;
- (dd) "**Post-Filing Claim**" means the claim of any Person against Newsco that arose from the provision of authorized goods and services provided or otherwise incurred in the normal course of business during the Proposal Period, and for certainty shall not include Restructuring Period Claims;
- (ee) "**Proposal**" means the Proposal being filed on or about April 19, 2021 in respect of the Applicant, pursuant to the BIA as the same may be amended, supplemented or restated from time to time in accordance with the terms thereof;
- (ff) "**Proposal Trustee**" means BDO Canada Limited;
- (gg) "**Proposal Trustee's Website**" means <https://www.bdo.ca/en-ca/extranets/newsco/>;
- (hh) "**Proof of Claim**" means the Proof of Claim referred to herein, substantially in the form attached as **Schedule "E"**;
- (ii) "**Proof of Claim Instruction Letter**" means the instruction letter to Unknown Claimants, substantially in the form attached as **Schedule "F"** hereto, regarding the completion of a Proof of Claim by a Claimant and the claims procedure described herein;
- (jj) "**Restructuring Period Claim**" means any Claim of any Person against the Applicant in connection with any indebtedness, liability or obligation of any kind whatsoever resulting from the restructuring, disclaimer, resiliation, termination or

breach by the Applicant on or after the Filing Date of any contract, lease, or other agreement, including employment agreements, whether written or oral and whether such restructuring, disclaimer, resiliation, termination or breach took place or takes place before or after the date of this Order;

- (kk) "**Secured Claim**" means that portion of a Claim that is (i) secured by security validly charging or encumbering property or assets of the Applicant, (including statutory and possessory liens that create security interests) up to the value of such collateral, and (ii) duly and properly perfected in accordance with the relevant legislation in the appropriate jurisdiction as of the Filing Date;
- (ll) "**Unaffected Secured Claims**" means all Secured Claims other than the Judith Melville Secured Claim;
- (mm) "**Unknown Claimant**" means a Claimant that is not a Known Claimant, or a Claimant with an Excluded Claim; and
- (nn) "**Unknown Claimant Claims Package**" means a blank Proof of Claim and a Proof of Claim Instruction Letter, and such other materials as the Applicant or the Proposal Trustee may consider appropriate or desirable.

GENERAL PROVISIONS

3. All references as to time herein shall mean local time in Calgary, Alberta, Canada, and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day unless otherwise indicated herein.
4. All references to the word "including" shall mean "including without limitation".
5. All references to the singular herein include the plural, the plural include the singular, and any gender includes the other gender.
6. All Claims shall be denominated in Canadian dollars. Any Claims denominated in a foreign currency shall be converted to Canadian dollars for purposes of any Proposal at the Bank of Canada's noon exchange rate in effect on the Filing Date.

7. Interest and penalties that would otherwise accrue after the Filing Date shall not be included in any Claims.
8. Copies of all forms delivered hereunder, as applicable, and determinations of Claims by the Court, as the case may be, shall be maintained by the Proposal Trustee and, subject to further order of the Court, the applicable Claimant will be entitled to have access thereto by appointment during normal business hours on written request to the Proposal Trustee or the Applicant.
9. Any Person with an Excluded Claim shall not file a Proof of Claim in this process in respect of such Excluded Claim, unless required to do so by further order of the Court, nor shall the Proposal Trustee send a Claims Package to Persons with Excluded Claims.

PROPOSAL TRUSTEE'S ROLE

10. The Proposal Trustee, in addition to its prescribed rights, duties, responsibilities and obligations under the BIA, shall assist the Applicant in connection with the administration of the claim procedure provided for herein, and is hereby directed and empowered to take such other actions and fulfill such other roles as are contemplated by this Order or incidental thereto.
11. In carrying out the terms of this Order, the Proposal Trustee shall:
 - (a) have all of the protections given to it by the BIA and any subsequent orders and extensions related thereto, and this Order, or as an officer of the Court, including the stay of proceedings in its favour;
 - (b) incur no liability or obligation as a result of the carrying out of the provisions of this Order, save and except for any gross negligence or willful misconduct on its part;
 - (c) be entitled to rely on the books and records of the Applicant and any information provided by the Applicant, all without independent investigation; and

- (d) not be liable for any claims or damages resulting from any errors or omissions in such books, records or information, save and except for any gross negligence or willful misconduct on its part.
12. The Applicant and the Proposal Trustee are hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which forms delivered hereunder are completed and executed, and may, where they are satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of this Order as to completion and execution of such forms and to request any further documentation from a Person that the Applicant or the Proposal Trustee may require in order to enable them to determine the validity of a Claim.

CLAIMS PROCEDURE FOR KNOWN CLAIMANTS

13. The Proposal Trustee shall send a Claims Package to each of the Known Claimants by prepaid ordinary mail before 11:59 p.m. on Friday, April 23, 2021.
14. If such Claimant, having received a Claims Package, disagrees with the amount contained in the Notice to Claimant or the classification of such amount, the Claimant must deliver a Notice of Dispute of Claimant to the Applicant, care of the Proposal Trustee, by no later than the Claims Bar Date. Such Notice of Dispute of Claimant shall outline the basis for the dispute, include the amount believed to be owing to the Claimant and the classification of such amount, and where possible, include supporting documentation. Where a Claimant that receives a Notice to Claimant pursuant to this paragraph does not deliver a Notice of Dispute of Claimant by the Claims Bar Date, the amount owing to the Claimant and the classification of such amount shall be deemed to be as set out in the Notice to Claimant sent to such Claimant.

DISCLAIMERS AND RESILIATIONS

15. Any action taken by the Applicant to restructure, disclaim, resiliate, terminate or breach any contract, lease or other agreement, whether written or oral, must occur on or before the day that is fifteen (15) Calendar Days prior to the date of the Creditors' Meeting of the Applicant that restructured, disclaimed, resiliated, terminated or breached the contract,

lease or other agreement. Any notices of disclaimer or rescission delivered after the date of this Order to Claimants in connection with the foregoing shall be accompanied by a Claims Package.

16. Any Person entitled to a Restructuring Period Claim shall be a Known Claimant and paragraph 14 of this Claims Procedure Order shall apply to such Known Claimant.

CLAIMS PROCEDURE FOR UNKNOWN CLAIMANTS

17. The Proposal Trustee will cause the Notice to Unknown Claimants to be published prior to April 26, 2021 in the Calgary Herald. The Proposal Trustee will also post electronic copies of the Notice to Unknown Claimants, the Proof of Claim, and this Order on the Proposal Trustee's Website as soon as practically possible after the date on which this Order is granted.
18. In addition, the Proposal Trustee shall send an Unknown Claimant Claims Package to any Unknown Claimant who requests these documents. Any such Unknown Claimant must return a completed Proof of Claim to the Proposal Trustee by no later than the Claims Bar Date.

CLAIMS BAR DATE, ADJUDICATION AND RESOLUTION OF CLAIMS

(i) Barring of Claims

19. Any Unknown Claimant that does not return a Proof of Claim to the Proposal Trustee by the Claims Bar Date, unless otherwise ordered by the Court, shall:
 - (a) not be entitled to vote at any Creditor's Meeting;
 - (b) not be entitled to receive any distribution under any Proposal;
 - (c) not be entitled to any further notice in, and shall not be entitled to participate as a Claimant or creditor in, the BIA Proceedings in respect of such Claim;
 - (d) be forever barred from making or enforcing any such Claim against any of the Applicant, their Directors and their Officers, and all such Claims will be forever

extinguished and barred without any further act or notification by the Applicant;
and

- (e) be forever barred from making or enforcing any such Claim as against any other Person who could claim contribution or indemnity from the Applicant, its Directors and their Officers, or any of them and all such Claims will be forever extinguished and barred without any further act or notification by the Applicant.

(ii) Adjudication of Claims

- 20. The Proposal Trustee, with the assistance of the Applicant, shall review all Proofs of Claim and all Notices of Dispute of Claimant, if any, received by the Claims Bar Date and shall accept, revise or reject the amount of each Claim set out therein for voting and distribution purposes. If any dispute about the amount or classification of a Claim cannot be resolved consensually between the Applicant, the Claimant, and the Proposal Trustee, then the Proposal Trustee shall notify each Claimant who has delivered a Proof of Claim or a Notice of Dispute of Claimant as to whether such Claimant's Claim as set out therein has been revised or rejected for voting and distribution purposes, and the reasons therefor, by sending such Claimant a Notice of Revision or Disallowance.
- 21. Any Claimant who intends to dispute a Notice of Revision or Disallowance sent pursuant to the immediately preceding paragraph shall deliver a Notice of Dispute of Revision or Disallowance to the Proposal Trustee by no later than 5:00 p.m. on the date that is fifteen (15) Calendar Days after receipt of the Notice of Revision or Disallowance.

(iii) Resolution of Claims

- 22. Where a Claimant that receives a Notice of Revision or Disallowance pursuant to paragraph 20 above does not file a Notice of Dispute of Revision or Disallowance by the time set out in paragraph 21 above, the amount and classification of such Claimant's Claim shall be deemed to be as set out in the Notice of Revision or Disallowance.
- 23. In the event that the Proposal Trustee is unable to resolve a dispute regarding any Claim with a Claimant, the Proposal Trustee, the Applicant or the Claimant may file an

Application with the Court for the resolution or adjudication of the Claim for voting and distribution purposes. Any such application must be filed in the Court no later than twenty-one (21) days after the Claimant has delivered a Notice of Dispute of Revision or Disallowance, failing which the amount and classification of such Claimant's Claim shall be deemed to be as set out in the Notice of Revision or Disallowance. Thereafter, the Court shall resolve the dispute and determine the amount and/or classification of the Claimant's Claim for voting and distribution purposes.

24. Where the amount and/or classification of a Claimant's Claim has not been finally determined by the Court by the date of the Creditors' Meeting, the Proposal Trustee shall either:
- (a) accept the Claimant's determination of the amount and/or classification of the Claim as set out in the applicable Notice of Dispute of Revision or Disallowance only for the purposes of voting and conduct the vote of the creditors on that basis subject to a final determination of such Claimant's Claim, and in such case the Proposal Trustee shall record separately such Claimant's Claim and whether such Claimant voted in favour of or against the Proposal
 - (b) adjourn the Creditors' Meeting until a final determination of the Claim(s) is made;
or
 - (c) deal with the matter as the Court may otherwise direct or as the relevant Applicant, the Proposal Trustee and the Claimant may otherwise agree.

D&O INDEMNITY CLAIMS

25. To the extent that any D&O Claim is filed in accordance with this Claims Procedure Order, a corresponding D&O Indemnity Claim shall be deemed to have been filed in respect of such D&O Claim.

NOTICE OF TRANSFEREES

26. If, after the Filing Date, the holder of a Claim transfers or assigns the whole of such Claim to another Person, neither the Applicant nor the Proposal Trustee shall be obligated to give

notice or otherwise deal with the transferee or assignee of such Claim in respect thereof unless and until actual notice of transfer or assignment, together with satisfactory evidence of such transfer or assignment, shall have been received and acknowledged by the Applicant and the Proposal Trustee in writing and thereafter such transferee or assignee shall for the purposes hereof constitute the "Claimant" in respect of such Claim. Any such transferee or assignee of a Claim shall be bound by any notices given or steps taken in respect of such Claim in accordance with this Order prior to receipt and acknowledgement by the Applicant and the Proposal Trustee of satisfactory evidence of such transfer or assignment. A transferee or assignee of a Claim takes the Claim subject to any rights of set-off to which the Applicant may be entitled with respect to such Claim. For greater certainty, a transferee or assignee of a Claim is not entitled to set-off, apply, merge, consolidate or combine any Claims assigned or transferred to it against or on account or in reduction of any amounts owing by such Person to the Applicant. No transfer or assignment shall be received for voting purposes unless such transfer shall have been received by the Proposal Trustee no later than five (5) Business Days prior to the Creditors' Meeting, failing which the original transferor shall have all applicable rights as the "Claimant" with respect to such Claim as if no transfer of the Claim had occurred. Reference to transfer in this Claims Procedure Order includes a transfer or assignment whether absolute or intended as security.

27. If a Claimant, or any subsequent holder of a Claim, who has been acknowledged by the Proposal Trustee as the holder of such, transfers or assigns the whole of such Claim to more than one Person or part of such Claim to another Person, such transfers or assignments shall not create separate Claims and such Claims shall continue to constitute and be dealt with as a single Claim notwithstanding such transfers or assignments. The Proposal Trustee shall not, in each case, be required to recognize or acknowledge any such transfers or assignments and shall be entitled to give notices to and otherwise deal with such Claim only as a whole and then only to and with the Person last holding such Claim provided such Claimant may, by notice in writing delivered to the Proposal Trustee, direct that subsequent dealings in respect of such Claim, but only as a whole, shall be dealt with by a specified Person and in such event such Person shall be bound by any notices given or steps

taken in respect of such Claim with such Claimant in accordance with the provisions of this Order.

28. Neither the Applicant nor the Proposal Trustee are under any obligation to give notice to any Person other than a Claimant holding a Claim and shall have no obligation to give notice to any Person holding a security interest, lien or charge in, or a pledge or assignment by way of security in, a Claim as applicable in respect of any Claim.

SERVICE AND NOTICE

29. The Proposal Trustee and the Applicant may, unless otherwise specified by this Order, serve and deliver any letters, notices or other documents contemplated by this Order and the Claims Procedure to Claimants, Directors or Officers, and any other interested Persons, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic or digital transmission to such Persons (with copies to their counsel if applicable) at the address as last shown on the records of the Applicant or set out in such Person's Proof of Claim. Any such service or notice by courier, personal delivery or electronic or digital transmission shall be deemed to have been received: (i) if sent by ordinary mail, on the third Business Day after mailing within Alberta, the fifth Business Day after mailing within Canada (other than within Alberta), and the tenth Business Day after mailing internationally; (ii) if sent by courier or personal delivery, on the next Business Day following dispatch; and (iii) if delivered by electronic or digital transmission by 5:00 p.m. on a Business Day, on such Business Day, and if delivered after 5:00 p.m. or other than on a Business Day, on the following Business Day.
30. Any notice or other communication (including Proofs of Claim) to be given under this Order by any Person to the Proposal Trustee shall be in writing in substantially the form, if any, provided for in this Order and will be sufficiently given only if delivered by prepaid registered mail, courier, personal delivery or electronic or digital transmission addressed to the following address and any such notice or other communication by a Person shall be deemed received only upon actual receipt thereof during normal business hours on a Business Day, or if delivered outside of a normal business hours, the next Business Day:

BDO Canada Limited
110, 5800 – 2nd Street S.W.
Calgary, Alberta T2H 0H2
Attention: Jerri Beauchamp
Phone: 1-825-509-0394
jbeauchamp@bdo.ca

31. If during any period during which notices or other communications are being given pursuant to this Order a postal strike or postal work stoppage of general application should occur, such notices or other communications sent by ordinary mail and then not received shall not, absent further order of the Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery or electronic or digital transmission in accordance with this Order.
32. In the event that this Order is later amended by further order of the Court, the Proposal Trustee shall post such further order on the Proposal Trustee's Website and such posting shall constitute adequate notice of such amended claims procedure.

SET-OFF

33. The Applicant may set-off (whether by way of legal, equitable or contractual set-off) against payments or other distributions to be made pursuant to the Proposal to any Claimant, any claims of any nature whatsoever that the Applicant may have against such Claimant, however, neither the failure to do so nor the allowance of any claim hereunder shall constitute a waiver or release by the Applicant of any such claim that the Applicant may have against such Claimant.

MISCELLANEOUS

34. Notwithstanding any other provision of this Order, the sending of Notices to Claimant and the solicitation of Proofs of Claim, and the filing by a Person of any Proof of Claim, shall not, for that reason only, grant any Person any standing in the BIA Proceedings or rights under the Proposal.

35. Nothing in this Order shall constitute or be deemed to constitute an allocation or assignment of Claims or Excluded Claims by the Applicant into particular affected or unaffected classes for the purpose of a Proposal and, for greater certainty, the treatment of Claims, Excluded Claims, or any other claims are to be subject to a Proposal and the class or classes of creditors for voting and distribution purposes shall be subject to the terms of any proposed Proposal or further Order of the Court.
36. In the event that no Proposal is approved by the Court, the Claims Bar Date shall be of no effect in any subsequent proceeding or distribution with respect to any and all Claims made by Claimants.
37. Nothing in this Order shall prejudice the rights and remedies of any Directors or Officers under any existing Director and Officer insurance policy or prevent or bar any Person from seeking recourse against or payment from any Director's and/or Officer's liability insurance policy or policies that exist to protect or indemnify the Directors and/or Officers, whether such recourse or payment is sought directly by the Person asserting a Claim from the insurer or derivatively through the Director or Officer or one or more of the Applicant; provided, however, that nothing in this Order shall create any rights in favour of such Person under any policies of insurance nor shall anything in this Order limit, remove, modify or alter any defence to such claim available to the insurer pursuant to the provisions of any insurance policy or at law.
38. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or the United States, or in any other foreign jurisdiction, to give effect to this Order and to assist the Applicant, or any of them, the Proposal Trustee and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Proposal Trustee, as an officer of the Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Applicant in any foreign proceeding, or to assist the Applicant and the Proposal Trustee and their respective agents in carrying out the terms of this Order.

39. This Order shall have full force and effect in all provinces and territories of Canada, outside Canada and against all Persons against whom it may be enforceable.
40. The Applicant or the Proposal Trustee may from time to time apply to this Court to amend, vary, supplement or replace this Order or for advice and direction concerning the discharge of their respective powers and duties under this Order or the interpretation or application of this Order.

A handwritten signature in black ink, appearing to read 'L.B. Ho', written in a cursive style.

L.B. Ho

EXHIBIT “D”

District of Alberta
Division No. 2
Court No. 25-2681862
Estate No. 25-2681862

**In the Matter of the Proposal of
Newsco International Energy Services Inc.
of the City of Calgary, in the Province of Alberta**

Minutes of the Meeting of Creditors (the "Meeting") of Newsco International Energy Services Inc. ("Newsco" or the "Company") held virtually on May 10, 2021.

CHAIRMAN: Marc Kelly, BDO Canada Limited

PRESENT: Attendance list attached as Appendix "A".

The Meeting was called to order at 10:00 a.m.

The following individuals representing the Company and the Proposal Trustee were introduced:

- Marc Kelly – BDO Canada Limited
- Jerri Beauchamp – BDO Canada Limited
- Billy Melville – Newsco
- Biswajit Mishra - Newsco
- Chris Simard – Bennett Jones LLP (Newsco's legal counsel)
- Kristos Iatridis – Bennett Jones LLP (Newsco's legal counsel)
- Randal Van de Mosselaer – Osler, Hoskin & Harcourt LLP (Proposal Trustee's legal counsel)

The Chairman advised that there was a quorum present being at least one creditor entitled to vote.

PURPOSE OF MEETING

The Chairman advised that the purpose of the Meeting is to consider the terms of the proposal of the Company filed on April 19, 2021 (the "Proposal"), to consider the appointment of Inspectors and to give such direction to the Proposal Trustee as the creditors may see fit with reference to the administration of the estate.

The following documents were tabled by the Chairman:

- Order (Claims Procedure) – April 19, 2021 (the "Claims Procedure Order");
- Notice to Creditors of Proposal;
- Statement of Affairs;
- Proposal;
- *Report of Proposal Trustee on Proposal* dated April 22, 2021 (the "Proposal Trustee's Report"); and
- Affidavit of Mailing.

BACKGROUND AND PROPOSAL

The Trustee provided a summary of the background leading up to the commencement of the Company's restructuring proceedings, a synopsis of the events that had transpired during the restructuring proceedings, the terms of the Proposal and the Proposal Trustee's comments and recommendations as set out in the Proposal Trustee's Report.

QUESTION PERIOD

There were no questions asked.

VOTE

The Chairman explained the requirements for creditor approval of the Proposal.

The Chairman advised there 27 Voting Letters have been submitted in advance of the commencement of the Meeting in accordance with the terms of the Claims Procedure Order. The Chairman indicated that five of the parties submitting Voting Letters had also filed Notices of Dispute in respect of their claims as acknowledged by the Company. The Chairman noted that four of the Notices of Dispute were filed by former employees; however, all four employees had voted in favour of the Proposal.

The Chairman called for a motion to vote on the Proposal. Cintas Canada Inc. ("Cintas"), by way of proxy held by Mr. Kelly, moved to vote on the Proposal. Seconded by JD Factors Corporation ("JD Factors"), by way of Proxy, held by Mr. Kelly.

The Chairman inquired whether any of the creditors present had not yet submitted a Voting Letter or otherwise wished to amend its vote. No creditors indicated that they had not yet submitted a Voting Letter or wished to amend their vote.

The Chairman advised that as a result of the votes cast by way of Voting Letter, the statutory requirements to approve the Proposal were met and that the creditors overwhelmingly approve the Proposal. A copy of the detailed voting results is attached as Appendix "B" and is summarized as follows:

	<u>Number of Votes</u>	<u>%</u>	<u>Dollar Value</u>	<u>%</u>
For	26	96.3	\$1,591,416.95	99.39
Against	1	3.7	9,817.50	0.61
TOTAL	27	100.0	\$1,601,234.45	100.0

The Chairman advised that an application to the Court of Queen's Bench of Alberta (the "Court") to seek the Court's approval of the Proposal is scheduled for May 26, 2021 and that notice of the application will be provided forthwith.

The Chairman advised that the five Notices of Dispute will be addressed and resolved pursuant to the terms established by the Claims Procedure Order in due course and that it is unlikely any distributions contemplated under the Proposal will be made until such time that these Notices of Dispute are resolved.

INSPECTORS

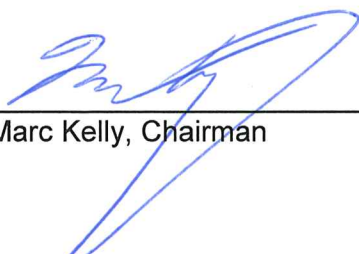
A general discussion was held regarding the role of Inspectors in the scenario of a Proposal versus a bankruptcy proceeding.

The Chairman asked if any party wished to make a motion for the appointment of an Inspector. There being no such motion, no Inspectors were appointed.

ADJOURNMENT

The Chairman asked those in attendance if there was any further business they wished to discuss prior to adjournment of the meeting. No comments were made.

On motion by Cintax, by way of proxy, and seconded by JD Factors, by way of proxy, the meeting was adjourned at 10:17 a.m.



Marc Kelly, Chairman

APPENDIX “A”

APPENDIX “B”

District of Alberta
 Division No. 02 - Calgary
 Court No. 25-2681862
 Estate No. 25-2681862

Voting Summary

In the matter of the proposal of
 Newsco International Energy Services Inc.
 of the City of Calgary, in the Province of Alberta

Insolvency Date: 19-Oct-2020
 Estate Number: 25-2681862

Result of Voting

Class	Total #		Dollar Value of Claims		Percentage by Votes		Percentage by Value		Result		
	Votes	Yes	No	Yes	No	Yes	No	Yes	No	By Votes	By Value
	27	26	1	1,591,416.95	9,817.50	96.30	3.70	99.39	0.61	App.	App.

List of creditors

Class	Creditor Name	Type	Account #	\$ Admitted for Voting	Voted By	Vote
	Alberta Assets (2006) INC.	U		196,920.46	Letter	For
	AVT Solid Machining Inc.	U		50,552.25	Letter	For
	Ayotte Enterprises Ltd.	U		191,894.31	Letter	For
	BasinTek LLC/Abaco Drilling Technologies	U		391,833.25	Letter	For
	BW Oilfield Consulting Ltd. (NOD)	U		9,817.50	Letter	Against
	Chariot Express	U		2,583.00	Letter	For
	Cieckview Consulting Ltd.	U		123,126.63	Letter	For
	Cindy McCubbin (NOD)	U		7,920.00	Letter	For
	CINTAS Canada Limited	U		8,149.31	Letter	For
	Cole International Inc. (CAD)	U		7,041.40	Letter	For
	Cole International USA Inc.	U		693.34	Letter	For
	Crimp Circuits	U		3,360.12	Letter	For
	Curtis Lee	U		6,473.08	Letter	For
	Elite Engineering Ltd.	U		126,680.97	Letter	For
	Enmax	U		4,416.22	Letter	For
	Global Edge 2020 Inc.	U		6,168.03	Letter	For
	Innova Power Solutions	U		78,970.50	Letter	For
	JD Factors Corporation c/o Sure Shot Hotshot	U		9,303.00	Letter	For
	Jean-Yves Lalonde (NOD)	U		84,677.00	Letter	For
	KRAYDEN Canada- formerly E.B. Peerless	U		1,889.68	Letter	For
	Maple Leaf Energy Services Ltd.	U		12,075.00	Letter	For
	Millennium Manufacturing Inc.	U		130,469.85	Letter	For
	Moore's Industrial Service Ltd.	U		18,582.90	Letter	For
	Patti-Jo Russell (NOD)	U		16,139.37	Letter	For

List of creditors

<i>Class</i>	<i>Creditor Name</i>	<i>Type</i>	<i>Account #</i>	<i>\$ Admitted for Voting</i>	<i>Voted By</i>	<i>Vote</i>
	Revolve Industries Inc.	U		56,560.29	Letter	For
	Sullivan Machine Works	U		31,558.74	Letter	For
	WAY-COR Consulting Inc.	U		23,378.25	Letter	For
