

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL DISTRICT OF EDMONTON

BETWEEN:

ROYAL BANK OF CANADA

Plaintiff

- and -

**ADVANTAGE OILFIELD GROUP LTD.,
NORTH PAW ENERGY SERVICES LTD.,
RANCO HOLDINGS LTD., 1208362 ALBERTA LTD.
and CHRISTOPHER BRUINS**

Defendants

BEFORE THE HONOURABLE
MR. JUSTICE B. R. BURROWS
JUSTICE, IN CHAMBERS,
LAW COURTS,
EDMONTON, ALBERTA

ON FRIDAY, THE 2ND DAY OF
JULY, 2010.

ORDER CONFIRMING SALE AND VESTING ORDER

UPON THE APPLICATION of Ernst & Young Inc. in its capacity as receiver of the property of Ranco Holdings Ltd. (the "Receiver"); AND UPON READING the Receivership Order granted in these proceedings February 12 2010; AND UPON NOTING THAT Ranco Holdings Ltd. ("Ranco") is the owner of the real property legally described in paragraph 2 of this Order (the "Real Property"); AND UPON NOTING that the Receiver has, with the assistance of a realtor, marketed the Real Property; AND UPON NOTING that an offer (the "Offer") has been presented for the Real Property and for certain unattached goods owned by Ranco referenced in Schedule "A" of the Offer (the "Goods") by 1148750 Alberta Ltd. (the "Purchaser"); AND UPON

I hereby certify this to be a
true copy of the original
for Clerk of the Court

NOTING that in this Order the Real Property and the Goods are referred to individually and collectively as the "Lands"; AND UPON NOTING that the Offer is attached as schedule "F" to the Report of the Receiver dated June 21, 2010, filed in support of the application for this Order (the "Receiver's Report"); AND UPON NOTING that the Offer is acceptable to the Receiver; AND UPON reading the Receiver's Report and the Notice of Motion filed herein and proof of service there; AND UPON reading the certified copy of title to the Real Property, an Alberta Personal Property Registry search result with respect to Ranco and the pleadings and proceedings had and taken herein; AND UPON NOTING that the Receiver's Report indicates that the first registered security holder (Royal Bank of Canada ("RBC")) in relation to the Lands does not oppose this application and that Ranco does not oppose this application;

IT IS HEREBY ORDERED THAT:

1. The Offer of the Purchaser is approved and accepted.
2. Upon the Purchaser paying to the Plaintiff, in care of its solicitors, Fraser Milner Casgrain LLP, the full purchase price of \$1,150,000.00 plus GST (if payment of GST is required by the Receiver) subject to adjustments as hereinafter set out (the "Purchase Price"), the Purchaser shall be entitled to enter into possession of the Goods and of the Real Property legally described as follows:

PLAN 0512216
 BLOCK 1
 LOT 10
 EXCEPTING THEREOUT ALL MINES AND MINERALS
 AREA: 0.761 HECTARES (1.88 ACRES) MORE OR LESS

(the "Real Property")

3. All adjustments including, without limitation, adjustments for property and other taxes, shall be made as at the "Closing Date" in accordance with the terms of the subject offer, or such earlier date as may be agreed to by the Plaintiff and the Purchaser.
4. The Receiver is authorized to utilize the proceeds of sale of the Lands to satisfy any obligation for the payment of commission to a realtor arising as a result of the sale of the Lands pursuant to this Order.

5. If the Purchaser does not pay the Purchase Price to the Receiver on or before the Closing Date as hereinbefore described or such further and other date as may be agreed to by the Receiver in writing directly or through its counsel, all rights of the Purchaser to the Lands shall be forfeited and void and the Receiver shall be entitled to retain and apply any deposit paid by the Purchaser in accordance with the terms of the Offer, subject to the Court granting relief from forfeiture.
6. The Defendants and all persons claiming through or under the Defendants do stand absolutely debarred and foreclosed of and from all of their estate, right, title, interest and equity of redemption in the said Lands.
7. The Purchase Price shall stand in the place and stead of the Goods and the Real Property and all priorities which existed in respect of the Goods and the Real Property immediately prior to this Order being granted shall apply *mutatis mutandis* to the proceeds of the Goods and the Real Property. The "Disputed Assets" as referenced in the First Report of the Receiver are hereby ascribed a value of \$24,450.
8. Upon receipt of a copy of this Order and a letter from Fraser Milner Casgrain LLP confirming receipt of the Purchase Price, the Registrar of Land Titles shall cancel the existing Certificate of Title to the Real Property and shall issue a new Certificate of Title to the Real Property in the name of the Purchaser or its nominee free and clear of:
 - (a) Mortgage registered as Instrument number 081 329 341; and
 - (b) all caveats, registrations, Orders, writs, mortgages, instruments, liens and encumbrances registered subsequent to the mortgage registered as Instrument number 081 329 341;

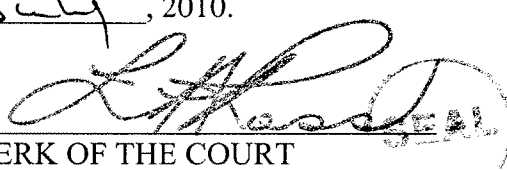
(whether such registration, Order, writ, mortgage, instrument, lien, encumbrance or caveat was registered before or after the date of this Order). The Registrar is directed to register this Order and issue the new Certificate of Title notwithstanding the requirements of Section 191(1) of the *Land Titles Act*, R.S.A. 2000, L-4, as amended).

9. The Receiver is authorized and directed to pay to RBC an interim distribution of \$600,000 from the proceeds of the sale of the Real Property.
10. The Defendants and all persons claiming to or under the Defendants shall deliver up possession of the Lands to the Purchaser or its nominee upon title to the Lands being registered to the Purchaser or its nominee and that in default of possession being delivered up as aforesaid, a Writ of Possession shall issue without further Order.
11. Service of a copy of the Notice of Motion seeking this Order and any Affidavit in support is deemed good and sufficient upon all interested parties, the time for service is abridged to the time actually given and all further and other service is dispensed with.
12. Service of the within Order and any subsequent documents in this Action may be effected upon all subsequent registrants or encumbrancers by sending a copy of this Order or subsequent document to such registrant or encumbrancer by registered mail or priority post to the address shown on the registration or encumbrance filed at the Land Titles Office as against title to the Lands (or by leaving the same at such address).
13. Any person interested in this Order who, to the knowledge of the Plaintiff is represented or becomes represented by a solicitor, may be served with a copy of this Order and any other documents filed in this action by way of facsimile transmission or e-mail to such solicitor and such service shall be deemed good and sufficient.
14. Any other person with an interest in the Lands may be served with a copy of this Order and any other notices or documents filed in this action by way of priority post or registered mail to or by leaving the same at the address of such person last known to the Plaintiff.
15. Service of any document by priority post shall be deemed effective on the second day subsequent to the day on which the mail was posted at the post office and service of any document by registered mail shall be deemed effective on the fourth day subsequent to the day at which the registered mail was posted at the post office. Service as aforesaid shall be effective irrespective of whether the envelope containing a copy of this Order or other document served is returned to sender.

16. Service of the Notice of Motion seeking this Order along with any Affidavit in support is deemed good and sufficient upon all interested persons and the time for service is abridged to the time actually given and any further service is dispensed with.
17. Rule 630 is hereby dispensed with.

" B. R. Burrows "
J.C.Q.B.A.

ENTERED THIS 2 DAY OF
July, 2010.


CLERK OF THE COURT

Action No. 1003 02172

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Plaintiff

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Defendants

**ORDER CONFIRMING SALE AND
VESTING ORDER**



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File: 125665-8158/RCR