Form 27
[Rule 6.3 and 10.52(1)]

COURT FILE NUMBER:	1001-18206	~~Clerk's Stamp~~ CLERK OF THE COURT AUG 17 2011 CALGARY, ALBERTA
COURT:	COURT OF QUEEN'S BENCH OF ALBERTA	
JUDICIAL CENTRE:	CALGARY	
PLAINTIFF:	HSBC BANK CANADA	
DEFENDANTS:	KINETEX MULTI-COMPONENT SERVICES INC. and KINETEX RESOURCES CORPORATION	
DOCUMENT:	**APPLICATION by Ernst & Young Inc. in its capacity as Receiver and Manager of the assets, undertakings and property of KINETEX MULTI-COMPONENT SERVICES INC. and KINETEX RESOURCES CORPORATION for a Sale Approval and Vesting Order and an Interim Distribution Order**	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Macleod Dixon LLP 3700 Canterra Tower 400 Third Avenue SW Calgary, Alberta T2P 4H2 Phone: 403.267.8222 Fax: 403.264.5973 Attention: Kyle D. Kashuba Email: kyle.kashuba@macleoddixon.com File No. 280638	

NOTICE TO RESPONDENT(S):

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

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

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

Date:	Tuesday, August 23, 2011
Time:	2:30 p.m.
Where:	Calgary Courts Centre
Before Whom:	The Honourable Madam Justice C.A. Kent, of the Commercial List

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

Remedy claimed or sought:

1. An Order abridging, if necessary, the time for service of this application and deeming service good and sufficient.

2. An Order authorizing and approving the Asset Purchase Agreement (Branch) and Asset Purchase Agreement (Non-Branch Assets) (together, the "**Agreements**") between Ernst & Young Inc. in its as receiver and manager (the "**Receiver**") of the assets, undertakings and properties (the "**Property**") of the Defendants, Kinetex Multi-Component Services Inc. and Kinetex Resources Corporation (together, the "**Defendants**") and the Purchaser (as that term is defined in the Agreements, which are attached to the Receiver's Third Report filed August 17, 2011- the "**Third Report**").

3. An Order authorizing and directing the Receiver to take such steps and execute such documents necessary to effect the transactions arising under the Agreements.

4. An Order vesting the Defendants' property, rights and interests to the Purchaser free from all claims and encumbrances other than claims arising under the December 20, 2010 Receivership Order.

5. An Order that will give effect to the above, in substantially the same form as the Sale Approval and Vesting Order which is attached hereto as Schedule "A".

6. An Order authorizing and directing an interim distribution of $1,500,000.00 to HSBC Bank Canada ("**HSBC**"), as the first ranking secured creditor of the Defendants, in partial satisfaction of amounts owing to HSBC by the Defendants, in substantially the same form as the Order (Interim Distribution) which is attached hereto as Schedule "B".

7. Granting leave to the Receiver to apply to this Court for advice and directions as may be necessary to carry out the terms of any Orders granted at the within Application.

8. Such further and other relief, advice and directions as counsel may advise and this Honourable Court may deem just and appropriate.

Grounds for making this application:

9. On December 20, 2010, Ernst & Young Inc. was appointed the Receiver over the assets, undertakings and property of the Defendants by Order of the Honourable Madam Justice C.L. Kenny (the "**Receivership Order**").

10. Pursuant to the terms of the Receivership Order, the Receiver is entitled to sell, convey and transfer the Property, or any part or parts thereof, out of the ordinary course of business without either first obtaining the Defendants' consent or obtaining Court approval of a sale and investor solicitation process.

11. The Receiver has arranged for a sale of certain of the Property of the Defendants, in compliance with the Receivership Order, as set out and described in the Agreements and the Third Report.

12. The Receiver has entered into the Agreements with the Purchaser, which are subject to the approval of this Honourable Court.

13. HSBC has security over the assets and undertakings of the Defendants, which security is valid and enforceable, and gives HSBC priority over other of the Defendants' creditors.

14. There remains a significant deficiency in the secured claims held by HSBC.

15. The Receiver and HSBC support this Application.

16. The sale of the property described in the Agreements and the interim distribution as proposed by the Receiver are just, appropriate and in the best interest of the administration of the receivership estate and the stakeholders affected thereby.

17. The terms as set out in the form of Sale Approval and Vesting Order attached hereto as Schedule "A" are necessary to effect the sale of the property described in the Agreements as contemplated by the Receiver and the Purchaser, and said form of Order has been negotiated and consented to by the Receiver and the Purchaser.

18. Such further and other grounds as counsel may advise and this Honourable Court may permit.

Material or evidence to be relied on:

19. All pleadings and proceedings filed in the within action.

20. The First Report, the Second Report and the Third Report of the Receiver, filed.

21. The Receivership Order and the Order of the Court in the within action February 17, 2011.

22. The inherent jurisdiction of this Honourable Court to control its own process.

23. The forms of Orders attached hereto as Schedules "A" and "B".

24. Such further and other material and evidence as counsel may advise and this Honourable Court may permit.

Applicable rules:

25. Part 6, Division 7, Rule 6.47(e) and (f).

Applicable Acts and regulations:

26. *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 and the *Judicature Act*, R.S.A. 2000, c. J-2, as amended.

Any irregularity complained of or objection relied on:

27. None.

How the application is proposed to be heard or considered:

28. Oral submissions by counsel at an application in Justice Chambers as agreed and scheduled by counsel.

AFFIDAVIT EVIDENCE IS REQUIRED IF YOU WISH TO OBJECT.

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

Schedule "A"

Clerk's stamp:

COURT FILE NUMBER: 1001-18206

COURT: COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE: CALGARY

PLAINTIFF: HSBC BANK CANADA

DEFENDANTS: KINETEX MULTI-COMPONENT SERVICES INC. and KINETEX RESOURCES CORPORATION

DOCUMENT: ORDER (Sale Approval and Vesting Order)

Address for Service and Contact Information of Party Filing this Document:	Macleod Dixon LLP 3700 Canterra Tower 400 Third Avenue SW Calgary, Alberta T2P 4H2 Phone: 403.267.8222 Fax: 403.264.5973 Attention: Kyle D. Kashuba Email: kyle.kashuba@macleoddixon.com File No. 280638

DATE UPON WHICH ORDER WAS PRONOUNCED: Tuesday, August 23, 2011

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

ORDER

UPON THE APPLICATION of counsel for Ernst & Young Inc. in its capacity as receiver and manager (the "**Receiver**") of the assets, undertakings and property of the Defendants, Kinetex Multi-Component Services Inc. and Kinetex Resources Corporation (together, the

"**Defendants**"); **AND UPON** having read the Third Report of the Receiver, filed August 17, 2011 (the "**Third Report**") and the Asset Purchase Agreement (Branch) and Asset Purchase Agreement (Non-Branch Assets) (together, the "**Agreements**"); **AND UPON** reviewing the Order of the Honourable Madam Justice K. M. Horner dated February 17, 2011 and filed herein; **AND UPON** hearing counsel for the Receiver, the Plaintiff HSBC Bank Canada (the "**Plaintiff**"), the Purchaser (as that term is defined in the Agreements) and/or their counsel, and from any other parties who may be present; **AND UPON** it appearing that the sale of the Branch and Non-Branch Assets (as those terms are defined in the respective Agreements) is just, fair and appropriate in all the circumstances and in the best interests of the administration of the receivership estate;

THE COURT IS CONVINCED AND HEREBY ORDERS AND DECLARES THAT:

Service:

1. The time for service of the application materials in support thereof is hereby abridged to the date of actual service and that service is hereby approved, this application is properly returnable today and further service of the application and supporting materials is hereby dispensed with.

Defined Terms:

2. All capitalized terms not defined herein shall have the meanings defined in the Third Report of the Receiver.

Approval of Transactions:

3. The Agreements between the Purchaser and the Receiver, that are described in and attached to the Third Report, for the sale of the Kinetex Services Colombian Branch and the Kinetex Colombian Equipment (as those terms are defined in the respective Agreements and the Third Report of the Reciever, and together, the "**Assets**"), are commercially reasonable and are hereby approved and ratified.

4. The Receiver is hereby authorized to conclude the transactions contemplated by the Agreements (the "**Transactions**") and to perform or cause to be performed the covenants of the Agreements substantially in accordance with the terms of the Agreements, and to take all such steps and execute all such documents as may reasonably be necessary to complete the Transactions contemplated therein.

Vesting of Assets:

5. Upon Closing of the Transactions, all of the Defendants' right, title, interest and estate, in and to the Assets shall, without further instrument of transfer or assignment, vest in the Purchaser as contemplated by the Agreements, absolutely and forever, free and clear of and from any and all claims by, through, or under the Defendants, and any of them, free and clear of and from any and all right, title, interest and estate, including but not limited to, claims, hypothecs, mortgages, charges, liens (whether contractual, statutory or otherwise), security interests, assignments, actions, levies, taxes, judgments, writs of execution, trusts or deemed trusts (whether contractual, statutory or otherwise), options, agreements, disputes, debts, easements, covenants, caveats, encumbrances or other rights, limitations or restrictions of any nature whatsoever including, without limitation, any rights or interests of any creditors of the Defendants whether or not they have attached or have been perfected, registered or filed, whether secured or unsecured or otherwise, whether liquidated, unliquidated or contingent (all of the foregoing being collectively referred to hereinafter as the "**Claims**"), and whether such Claims came into existence prior to, subsequent to, or as a result of any previous order of this Court, by or of all persons or entities of any kind whatsoever, including, without limitation, all individuals, firms, corporations, partnerships, joint ventures, trusts, unincorporated organizations, governmental and administrative bodies, agencies, authorities or tribunals and all other natural persons or corporations, whether acting in their capacity as principals or as agents, trustees, executives, administrators or other legal representatives (collectively, the "**Claimants**"), including for greater certainty and

without limiting the generality of the foregoing: (i) the Claims held by or in favour of the individuals and entities served (either directly or through their solicitors) with this Application; and (ii) the beneficiary of any Claims created or provided for pursuant to any previous Order of this Court in these proceedings.

6. The Purchaser shall, by virtue of the completion of the Transactions, have no liability of any kind whatsoever to any Claimants in respect of any Claims any of the Claimants may have against the Defendants, or any of them.

7. Other than a certified copy of this Order and a letter from Macleod Dixon LLP, counsel to the Receiver, authorizing the use of this Order, no further authorization or approval or any other action by any authority or regulatory body exercising jurisdiction over the Assets shall be required for the Closing and post-Closing implementation of the Transactions contemplated in the Agreements.

8. The net proceeds of the sale of the Assets shall stand in the place and stead of the Assets and the Assets and all Claims shall cease to be attached to or encumber or otherwise form a lien or a claim against the Assets and shall attach to the net sale proceeds with the same validity, priority in the same amounts, and subject to the same defences, that existed when the Claims attached to the Assets.

Miscellaneous

9. Any transfers, assignments, or other conveyances in respect of the Assets shall be deemed to be validly executed if signed in the following manner:

> Ernst & Young Inc., in its capacity as Receiver and Manager of Kinetex Multi-Component Services Inc. and Kinetex Resources Corporation, and not in its personal capacity
>
> Per: ______________________________

10. The Transactions contemplated in the Agreements are approved notwithstanding the provisions of section 60(11) of the *Personal Property and Security Act*, R.S.A. 2000, c. P-7, and shall not be void or voidable at the instance of the Claimants and shall not constitute nor shall be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance, oppressive, or other challengeable or reviewable transaction under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended or any other applicable federal or provincial legislation, and the Transactions, or any actions taken in connection therewith, shall not constitute conduct meriting an oppression remedy.

11. Nothing in this Order shall prejudice any person's *in personam* claim against any of the Defendants.

12. The Purchaser shall have possession of the Assets immediately upon closing of the Transactions, at which time the Defendants and any other person having possession of the Assets shall deliver up possession of same to the Purchaser, and in default of possession being delivered up as aforesaid a Writ of Possession shall issue without further Order.

13. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories, and any federal or state court or administrative body in the United States of America, or in Colombia, or any other foreign courts or any administrative body or other tribunal to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order.

14. The Receiver be at liberty and is hereby authorized and empowered to apply to any Court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance to give full force and effect to, and in carrying out the terms of, this Order.

15. The Receiver is at liberty to reapply for further advice, assistance and direction as may be necessary to give full force and effect to, and in carrying out the terms of, this Order.

Justice of the Court of Queen's Bench of Alberta

Schedule "B"

Clerk's stamp:

COURT FILE NUMBER:	1001-18206
COURT:	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE:	CALGARY
PLAINTIFF:	HSBC BANK CANADA
DEFENDANTS:	KINETEX MULTI-COMPONENT SERVICES INC. and KINETEX RESOURCES CORPORATION
DOCUMENT:	ORDER (Interim Distribution Order)

Address for Service and Contact Information of Party Filing this Document:	Macleod Dixon LLP 3700 Canterra Tower 400 Third Avenue SW Calgary, Alberta T2P 4H2 Phone: 403.267.8222 Fax: 403.264.5973 Attention: Kyle D. Kashuba Email: kyle.kashuba@macleoddixon.com File No. 280638

DATE UPON WHICH ORDER WAS PRONOUNCED: Tuesday, August 23, 2011

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

ORDER

UPON THE APPLICATION of counsel for Ernst & Young Inc. in its capacity as receiver and manager (the "**Receiver**") of the assets, undertakings and property (the "**Property**") of the Defendants, Kinetex Multi-Component Services Inc. and Kinetex Resources Corporation (together, the "**Defendants**"); **AND UPON** having read the Third Report of the Receiver, filed August 17, 2011; **AND UPON** hearing counsel for the Receiver, the Plaintiff HSBC Bank Canada ("**HSBC**"), and from any other parties who may be present; **AND UPON** it appearing that the interim distribution is just, fair and appropriate in all the circumstances;

THE COURT IS CONVINCED AND HEREBY ORDERS AND DECLARES THAT:

1. The time for service of the application materials in support thereof is hereby abridged to the date of actual service and that service is hereby approved, this application is properly returnable today and further service of the application and supporting materials is hereby dispensed with.

2. The Receiver is hereby authorized and directed to pay to the Plaintiff, HSBC, the sum of $1,500,000, as an interim distribution in partial repayment of outstanding amounts owed to HSBC by the Defendants, as HSBC has a valid and enforceable first ranking security interest over the Property of the Defendants.

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Justice of the Court of Queen's Bench of Alberta