Clerk's Stamp

I hereby certify this to be a true copy of the original Order
Dated this 25 day of Sept /12
for Clerk of the Court

COURT FILE NUMBER	1201-10692
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36

AND IN THE MATTER OF 1357686 ALBERTA LTD.

DOCUMENT	**ORDER (Approve DIP Financing)**

CLERK OF THE COURT
FILED
SEP 25 2012
JUDICIAL CENTRE
OF CALGARY

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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Attention: Howard A. Gorman
Randal S. Van de Mosselaer
File No. 284891

DATE ON WHICH ORDER WAS PRONOUNCED: September 24, 2012

LOCATION OF HEARING OR TRIAL: Calgary, Alberta

NAME OF MASTER/JUDGE WHO MADE THIS ORDER: Mr. Justice R. G. Stevens

UPON the application of 1357686 Alberta Ltd. ("135" or the "Applicant"); **AND UPON HAVING READ** the Affidavit of Ronald Aitkens, sworn August 23, 2012 and the Affidavit of Gary L. Bentham sworn September 18, 2012; **AND UPON HAVING READ** the First Report of Ernst & Young Inc. in its capacity as Monitor; **AND UPON HAVING READ** the CCAA Initial Order granted in the within action on August 24, 2012 (the "Initial Order"); **AND UPON HEARING** the submissions of counsel for the Applicants and any other counsel in attendance;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. The time for service of this notice of this Application for this Order is hereby abridged and deemed good and sufficient and this Application is properly returnable today.

DEFINITIONS

2. Capitalized terms used herein and not otherwise defined shall have the same meaning as given to them in the Initial Order.

APPROVE DIP FINANCING

3. The Applicant is hereby authorized and empowered to obtain and borrow under a credit facility from Intero Mortgage Ltd. (the "DIP Lender") in order to finance the Applicant's working capital requirements and other general corporate purposes and capital expenditures, provided that the principal amount of borrowings under such credit facility, excluding accrued interest, shall not exceed $6,400,000 unless permitted by further order of this Court.

4. Such credit facility shall be on the terms and subject to the conditions set forth in the term sheet (the "Term Sheet") between the Applicant and the DIP Lender discussed and described in the Affidavit of Gary Bentham sworn September 18, 2012 in these proceedings and the First Report of the Monitor dated September 19, 2012 in these proceedings.

5. The Applicant is hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "Definitive Documents"), as are contemplated by the Term Sheet or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Applicant is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the Term Sheet and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

6. The DIP Lender shall be entitled to the benefits of and is hereby granted a charge (the "DIP Lender's Charge") on the Property to secure all obligations under the Definitive Documents incurred on or after the date of this Order which charge shall not exceed the aggregate amount advanced on or after the date of this Order, plus accrued interest to the date of maturity, under the Definitive Documents. The DIP Lender's Charge shall have the priority set out in paragraphs 32 and 34 of the Initial Order.

7. Notwithstanding any other provision of this Order:

    a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;

    b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon five business days notice to the Applicant and the Monitor, may exercise any and all of its rights and remedies against the Applicant or the Property under or pursuant to the Term Sheet, Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Applicant and set off and/or consolidate any amounts owing by the DIP Lender to the Applicant against the obligations of the Applicant to the DIP Lender under the Term Sheet, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Applicant; and

    c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicant or the Property.

8. The DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicant under the CCAA, or any proposal filed by the Applicant under the *Bankruptcy and Insolvency Act* of Canada (the "BIA"), with respect to any advances made under the Definitive Documents.

9. The Applicant is hereby authorized to use approximately $5,600,000 of the amount borrowed from the DIP Lender to pay out 1588803 Alberta Ltd. [the first secured

mortgage against the Calaway Lands (as that term is defined in the August 23, 2012 Affidavit of Ron Aitkens in the within proceedings)] and approximately $250,000 as partial paydown of the amounts owing to FM1 (as that term is defined in the August 23, 2012 Affidavit of Ron Aitkens in the within proceedings).

J.C.Q.B.A.