

COURT FILE NUMBER

1601-05495

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

PLAINTIFF

NATIONAL BANK OF CANADA

DEFENDANT

MOSAIC ENERGY LTD.

IN THE MATTER OF THE RECEIVERSHIP
OF MOSAIC ENERGY LTD.

APPLICANT

ERNST & YOUNG INC. in its capacity as
Court-appointed Receiver of the current and
future assets, undertakings and properties of
MOSAIC ENERGY LTD.

DOCUMENT

ORDER (Approval of SISP)

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

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File No.: 01128610-0068

Clerk's Stamp



I hereby certify this to be a true copy of
the original order

Dated this 21 day of June 2016

[Signature]
for Clerk of the Court

DATE ON WHICH ORDER WAS PRONOUNCED:

June 21, 2016

NAME OF MASTER WHO MADE THIS ORDER:

Madam Justice K.M. Eidsvik

LOCATION OF HEARING:

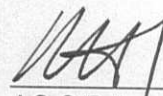
Calgary, Alberta

UPON THE APPLICATION of Ernst & Young Inc., in its capacity as Court-appointed Receiver (the **Receiver**) of the current and future assets, undertakings and properties of Mosaic Energy Inc. (**Mosaic**); **AND UPON** having read the Receivership Order granted by the Honourable Justice P.R. Jeffrey dated April 26, 2016, filed; **AND UPON** having read the First Report of the Receiver dated June 17, 2016, filed (the **First Report**); **AND UPON** having read the Confidential Supplemental Report to the First Report of the Receiver dated June 17, 2016 (the **Confidential Supplemental Report**); **AND UPON** hearing from counsel for the Receiver and any other parties present:

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Service of the Application filed on June 17, 2016 is hereby validated and deemed good and sufficient and this Application is properly returnable today.

2. The Engagement Letter dated May 13, 2016, a redacted copy of which is attached as Appendix "A" to the First Report of the Receiver and an unredacted copy of which is attached as Appendix "A" to the Confidential Supplemental Report to the First Report of the Receiver (the **Engagement Letter**), is hereby approved and RBC Dominion Securities Inc. is authorized to act as the exclusive selling agent (the **Selling Agent**) and to market the properties of Mosaic on behalf of the Receiver in accordance with the terms of the Sales and Investment Solicitation Process (the **SISP**) which is attached as Appendix "B" to the First Report of the Receiver.
3. The fees and expenses payable to the Selling Agent under the Engagement Letter are hereby approved.
4. The Selling Agent shall incur no liability or obligation as a result of its engagement or the carrying out of its mandate under the Engagement Letter, save and except for gross negligence or willful misconduct on its part.
5. Paragraph 17 of the Receivership Order is hereby amended to the extent necessary to include the Selling Agent and the fees and expenses payable to the Selling Agent under the Engagement Letter to the amount secured by the Receiver's Charge.
6. The SISP is hereby approved and the Receiver and the Selling Agent are authorized and directed to implement the SISP and to perform all steps and actions required of it pursuant to the SISP.
7. Any creditor of Mosaic shall be entitled to make a Credit Bid under the SISP ("Credit Bid" being a bid on behalf of a creditor of Mosaic under which all or a portion of the consideration being offered under the bid includes the compromise of all or a portion of indebtedness owing from Mosaic to the creditor) and such Credit Bid shall be:
 - a. a Qualified Phase I Bid (as that term is defined in SISP) provided it complies with the requirements of the SISP, and
 - b. a Qualified Phase II Bid (as that term is defined in SISP) provided:
 - i. it is accompanied by a deposit in the form of a wire transfer (to a bank account specified by the Receiver), or such other form acceptable to the Receiver, payable to the order of the Receiver, in trust, in an amount equal to ten percent (10%) of that total consideration set out in its Phase II Bid, less the value of the consideration allocated to the credit portion of the Credit Bid; and
 - ii. it complies with the other requirements
8. The Receiver is at liberty to reapply for further advice and direction as may be necessary to give full force and effect to the terms of this Order.
9. Service of this Order by e-mail, facsimile, courier, regular mail or personal delivery shall constitute good and sufficient service of this Order.


J.C.Q.B.A.