COURT FILE NO.	1703 12327
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	EDMONTON

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

AND IN THE MATTER OF A PLAN OF ARRANGEMENT OF 667402 ALBERTA LTD., 18512398 ALBERTA LTD., 816956 ALBERTA LTD., 1371047 ALBERTA LTD., 1919209 ALBERTA LTD. AND CANADA NORTH GROUP LP HOLDINGS LTD.

DOCUMENT	**ORDER EXTENDING A STAY OF PROCEEDINGS TO APRIL 30, 2020 AND AN ORDER APPROVING OPTION PROPOSAL FROM MIRTERRA CORP.**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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File #204-196164
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DATE ON WHICH ORDER WAS PRONOUNCED:	**December 3, 2019**
LOCATION OF HEARING OR TRIAL:	**EDMONTON, ALBERTA**
NAME OF JUDGE WHO MADE THIS ORDER:	**Associate Chief Justice K.G. Nielsen**

UPON THE APPLICATION of Ernst & Young Inc. in its capacity as the Court-appointed Monitor (the **"Monitor"**) of 667402 Alberta Ltd., 18512398 Alberta Ltd., 816956 Alberta Ltd. , 1371047 Alberta Ltd., 1919209 Alberta Ltd. and Canada North Group LP Holdings Ltd. **(**collectively the **"Debtor"),** for an order extending the stay of proceedings in this matter to April 30, 2020 and approving an auction proposal ("Auction Proposal") received from Mirterra

Corp. (**"Mirterra"**) in respect of the Remaining Assets as defined in the Confidential Supplement to the Monitor's 27th Report;

AND UPON HAVING READ the pleadings and materials filed herein and reviewing the Monitor's 27th Report and the Confidential Supplement to the Monitor's 27th Report (the **"27th Confidential Supplement"**);

AND UPON READING the Affidavit of Service of Karla Sookdeo;

AND UPON HEARING the submissions of counsel for the Monitor and counsel for Canadian Western Bank and others appearing;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of the Application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of the Application, and time for service of the Application is abridged to that actually given.

EXTENSION OF THE STAY OF PROCEEDINGS

2. The stay of proceedings provided for in the Initial Order granted by this Honourable Court on July 5, 2017 is hereby extended to and including April 30, 2020.

APPROVAL OF THE AUCTION PROPOSAL

3. The Auction Proposal put forward by Mirterra and the auction sale outlined therein (the "Auction") is hereby approved. The Monitor is hereby authorized and directed to accept and proceed with the Auction Proposal and is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Auction as set forth in the Auction Proposal.

VESTING OF PROPERTY

4. The Auction proposed by Mirterra and authorized herein shall not be considered complete until Mirterra has delivered net proceeds from the Auction to the Monitor to be held by the Monitor as outlined herein.

5. Upon receipt of the net sale proceeds from the Auction, the Monitor shall then deliver the Monitor's Closing Certificate as stipulated in the following paragraph of this Order.

6. Upon delivery of a Monitor's certificate to Mirterra in substantially in the form set out in **Appendix "A"** hereto (the **"Monitor's Closing Certificate"),** all of the Debtor's right, title and interest in and to the purchased assets, listed in **Appendix "B"** hereto (herein the "**Purchased Assets**"), shall vest absolutely in the name of the Purchaser(s) (or its/their nominee(s)) acquiring assets at the Auction (herein "**Purchasers**"), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of preemption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the **"Claims")** including, without limiting the generality of the foregoing:

   a. any encumbrances or charges created by the Initial Order; and

   b. any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system

   and for greater certainty, this Court orders that all Claims affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

7. Upon delivery of the Monitor's Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental

authorities including those referred to below in this paragraph (collectively, **"Governmental Authorities")** are hereby authorized, requested and directed to accept delivery of such Monitor's Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser(s) or its/their nominee(s) clear title to the Purchased Assets. Without limiting the foregoing, the Registrar of the Alberta Personal Property Registry (the **"PPR Registrar")** shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests in the estate or interest of the Debtor in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods

8. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Auction Proposal. Presentment of this Order and the Monitor's Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims.

9. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Auction Agreement.

10. For the purposes of determining the nature and priority of Claims, net proceeds from the sale of the Purchased Assets (to be held in an interest bearing trust account by the Monitor) shall stand in the place and stead of the Purchased Assets from and after delivery of the Monitor's Closing Certificate and all Claims shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not

been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. Unless otherwise ordered (whether before or after the date of this Order), the Monitor shall not make any distributions to creditors of net proceeds from the sale of the Purchased Assets without further order of this Court.

11. The Purchasers shall not, by completion of the Auction, have liability of any kind whatsoever in respect of any Claims against the Debtor.

12. Upon completion of the Auction, the Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser(s) (or its/their nominee(s)).

13. The Purchaser(s) (or its/their nominee(s)) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtor, or any person claiming by, through or against the Debtor.

14. The Monitor is directed to file with the Court a copy of the Monitor's Closing Certificate forthwith after delivery thereof to Mirterra.

MISCELLANEOUS MATTERS

15. The activities of the Monitor as set out in the Monitor's 27th Report and the 27th Confidential Supplement, are hereby ratified and approved.

16. Notwithstanding:

a. the pendency of these proceedings;

b. the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act,* R.S.C. 1985, c.B-3, as amended (the **"BIA"),** in respect of the Debtor, and any bankruptcy order issued pursuant to any such applications;

c. any assignment in bankruptcy made in respect of the Debtor; and

d. the provisions of any federal or provincial statute:

the vesting of the Purchased Assets the Purchaser(s) (or its/their nominee(s)) pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

17. The Monitor, Mirterra and any other interested party, shall be at liberty to apply for further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Auction.

18. This Honourable 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 or in any foreign jurisdiction, 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 Monitor and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to the Monitor, as an officer of the Court, as may be necessary or desirable to give effect to this Order or to assist the Monitor and its agents in carrying out the terms of this Order.

19. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

"K. G. Nielsen"

Justice of the Court of Queen's Bench

Appendix "A"

~~FORM OF RECEIVER'S~~ CERTIFICATE "KGN"

COURT FILE NO.	1703 12327	
COURT	COURT OF QUEEN'S BENCH OF ALBERTA	
JUDICIAL CENTRE	EDMONTON	
	IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF ARRANGEMENT OF 667402 ALBERTA LTD., 18512398 ALBERTA LTD., 816956 ALBERTA LTD., 1371047 ALBERTA LTD., 1919209 ALBERTA LTD. AND CANADA NORTH GROUP LP HOLDINGS LTD.	
DOCUMENT	**MONITOR'S CERTIFICATE**	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Darren R. Bieganek, QC Barrister & Solicitor Phone: 780.441.4386 Fax: 780.969.6381 Email: dbieganek@dcllp.com	File #204-196164 **DUNCAN CRAIG LLP** LAWYERS MEDIATORS 2800 Scotia Place 10060 Jasper Avenue Edmonton, Alberta Canada T5J 3V9

RECITALS

A. Pursuant to an Initial Order of this Honourable Court dated July 5, 2017, Ernst & Young Inc. was appointed as the Monitor (the **"Monitor"**) of the Applicants in these proceedings pursuant to the provisions of the *Companies' Creditors Arrangement Act,* R.S.C. 1985, c. C-36 ("CCAA").

B. Pursuant to an Order of this Honourable Court dated April 30, 2018, the Monitor's powers were expanded to provide for a liquidation of the assets of the Applicants remaining under these proceedings as of that date (the "**Expanded Powers Order**").

C. Pursuant to the Expanded Powers Order, the Monitor has proceeded to liquidate the remaining assets of the Applicants and on December 3, 2019 ("**Vesting Order**"), the Court approved an Auction Proposal from Mirterra Corp. (**"Mirterra**") authorizing the Monitor to proceed with an auction ("**Auction**") of the remaining assets of the Applicants (the "**Purchased Assets**") and provided for the vesting of the Purchased Assets to the ultimate end purchasers at the proposed Auction with such vesting to be effective with respect to the Purchased Assets upon delivery by the Monitor to Mirterra of a certificate confirming that the Monitor has received the net proceeds for the Purchased Assets derived form the Auction and that the Auction has been completed to the satisfaction of the Monitor.

D. Unless otherwise indicated herein, capitalized terms have the meaning set out in the Vesting Order.

E. THE MONITOR CERTIFIES the following:

1. Mirterra has paid and the Monitor has received the net proceeds for the Purchased Assets derived from the Auction pursuant to the terms of the Auction Proposal.

2. The Auction has been completed to the satisfaction of the Monitor.

3. The Certificate was delivered by the Monitor at ________________ on the ______ day of ____________________, 2019.

Ernst & Young Inc., in its capacity as the Court-appointed Receiver of 667402 Alberta Ltd., 18512398 Alberta Ltd., 816856 Alberta Ltd., 1371047 Alberta Ltd., 1919209 Alberta Ltd. and Canada North Group LP Holdings Ltd., and not in its personal capacity.

Per: ______________________________

Name: ______________________________

Title: ______________________________

Appendix "B"

PURCHASED ASSETS

APPENDIX "B"

Schedule D

Remaining Camp Assets as at November 25th, 2019

Remaining Camp Assets From Original Mirterral Appraisal:					
Unit	Description	VIN	Year	Location Appraisal	Location Actual
146	C CAN	724676042G1	2011	Bonnyville	Monias
74	WELLSITE SUPERSINGLE	FXPMTSS201306001	2013	Peace River	Peace River
188	LITE TOWER FLT 4000 SAURUS LED	13PL008	2013	Monias	Monias
190	LITE TOWER FLT 4000 SAURUS LED	13PL022	2013	Monias	Monias
193	LITE TOWER FLT 4000 SAURUS LED	13PL026	2013	Monias	Monias
69	DORM COMPLEX MAT. (SHOULD BE C-CAN)	MSGU6114779	2015	Monias	Monias
62	DORM 42 ROOM STAFF K		2009	Monias	Monias
61	DORM - JACK & JILLS	DC_F1_S10 to DQ_F3_S1	2011	Monias	Monias
149	C-CAN WATER STORAGE 6,000 GAL	CYLU4162860	2011	Monias	Monias
148	C CAN ELECTRICAL	499892_0	2011	Monias	Monias
151	C CAN	PVCU218712_9	2012	Monias	Monias
	7 UNIT WATER TREATMENT	DWG#10801	2007	Monias	Monias
85	WELLSITE EXEC DOUBLE ENDER	103	2011	Wabasca	Wabasca
86	WELLSITE EXEC DOUBLE ENDER	109	2011	Wabasca	Wabasca
156	WATER STORAGE		2010	Wabasca	Wabasca
84	SHOP		2009	Wabasca	Wabasca
82	KITCHEN DINER - 7 UNIT		2009	Wabasca	Wabasca
80	DORM 7 - 29 ROOM		2009	Wabasca	Wabasca
79	DORM 6 - VIP 16 ROOM		2009	Wabasca	Wabasca
78	DORM 5 - VIP 16 ROOM		2009	Wabasca	Wabasca
[redacted]					
81	DORM - STAFF		2009	Wabasca	Wabasca
154	C CAN	972579	2011	Wabasca	Wabasca
153	2012 Ford F350	1FT8W3B65CEB11368	2012	Wabasca	Wabasca
	WELLSITE EXEC DOUBLE ENDER	114	2008	Wandering River	Wandering River
~~305~~	~~SWAMP MATS 4,000 x $450~~		~~2015~~	~~Wandering River~~	~~Wandering River~~
256	LITE TOWER FLT 4000 LED	12PL004	2014	Wandering River	Monias
257	LITE TOWER FLT 4000 LED	12PL009	2014	Wandering River	Monias
259	LITE TOWER FLT 4000 LED	14PL004	2014	Wandering River	Wandering River
306	86 SIDE WALK @ $120 - 10 FT		2015	Wandering River	Wandering River
187	WATER STORAGE 6000 GAL	686619	2011	Monias	Monias
Subtotal of Remaining Camp Assets From Original Mirterra Appraisal:					

Extra Remaining Camp Assets (not on Original Mirterral Appraisal):					
Count	Description	VIN	Year	Location	June 2018 FSV
	Tank - 400 BBL	RLS4-BXBX-142810		Monias	N/A
	LITE TOWER FLT 4000 SAURUS LED	12PL02	2012	Monias	
	LITE TOWER FLT 4000 SAURUS LED	13PL30		Monias	
1	Plastic Tank - Green - Small			Monias	
1	Plastic Tank - Black Small			Monias	
1	Plastic Tank Black - Large			Monias	
2	Diamond BS24H Snow Brush			Wandering River	
173	Concrete Barriers			Wandering River	
12	Pallets Floorboards/Walls			Wandering River	
	Estudio3055C Printer			Edmonton Office	
	Estudio E20505AC Printer			Edmonton Office	