COURT FILE NUMBER	1801-09188	CLERK OF THE COURT Clerk's Stamp FILED APR 15 2019 JUDICIAL CENTRE OF CALGARY
COURT	COURT OF QUEEN'S BENCH OF ALBERTA	
JUDICIAL CENTRE	CALGARY	
APPLICANTS	THIRD EYE CAPITAL CORPORATION	
RESPONDENTS	RANCH ENERGY CORPORATION, OPSMOBIL INC., 1734163 ALBERTA INC., 1859821 ALBERTA INC., OPSMOBIL GROUP INC., OPSMOBIL CONSTRUCTION INC., OPSMOBIL ENERGY SERVICES INC., AIR DALLAIRE LTD. AND K.L. CAPITAL CORP.	
DOCUMENT	EIGHTH REPORT OF THE RECEIVER APRIL 15, 2019	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	<u>RECEIVER</u> Ernst & Young Inc. Calgary City Centre 2200, 215 2nd Street SW Calgary, AB T2P 1M4 Attention: Peter Chisholm Telephone: (403) 206-5061 Fax: (403) 206-5075 Email: peter.chisholm@ca.ey.com <u>RECEIVER'S COUNSEL</u> Borden Ladner Gervais LLP Josef G.A. Kruger, Q.C. / Robyn Gurofsky 1900, 520 3rd Ave SW Calgary, AB T2P 0R3 Phone: (403) 232-9563 / (403) 232-9774 Fax: (403) 266-1395 Email: jkruger@blg.com / rgurofsky@blg.com	

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APPENDICES

INTRODUCTION

1. Third Eye Capital Corporation ("TEC") issued a notice of intention to enforce security on June 6, 2018, pursuant to section 244(1) of the *Bankruptcy and Insolvency Act,* R.S.C. 1985, c. B-3 as amended (the "BIA") against Ranch Energy Corporation ("Ranch"), OpsMobil Inc. ("OMI"), 1734163 Alberta Inc. ("1734 AB"), 1859821 Alberta Inc. ("1859 AB"), OpsMobil Group Inc. ("OMGI"), OpsMobil Construction Inc. ("OMCI"), OpsMobil Energy Services Inc. ("OMESI"), Air Dallaire Ltd. ("Air Dallaire") and K.L. Capital Corp. ("KLCC") (collectively the "Corporations"). OMI, OMGI, OMCI, OMESI, Air Dallaire and KLCC are collectively referred to as "OpsMobil".

2. Ernst & Young Inc. ("EYI") was appointed as receiver (the "Receiver") of the Corporations' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the "Property") pursuant to an order of the Court of Queen's Bench of Alberta (the "Honourable Court") dated July 19, 2018, (the "Receivership Date"), as amended on August 7, 2018 (the "Receivership Order").

3. The Receivership Order authorizes the Receiver, among other things, to manage, operate and carry on the business of the Corporations, including the powers to enter into any agreements, incur any obligations in the ordinary course of business and cease to perform any contracts of the Corporations.

PURPOSE

4. The purpose of this eighth report (the "Eighth Report") of the Receiver is to provide this Honourable Court with the Receiver's comments on the proposed asset purchase agreement (the "Catamaran APA") entered into between the Receiver and Brian's Workshop LLC ("Brian's Workshop") to sell a 48' Leopard 48 Pleasure Craft, including all of its equipment, fittings and appurtenances, owned by 1859 AB (the "Catamaran") and to provide the Receiver's recommendations in respect of the Receiver's requests set out above.

TERMS OF REFERENCE

5. All references to dollars are in Canadian currency unless otherwise noted.

6. Capitalized terms not defined in this Eighth Report are as defined in the Receivership Order.

PROPOSED CATAMARAN TRANSACTION

7. The Catamaran is a 2014 built 48' Leopard 48 Pleasure Craft, named OPSMOBIL, registered in Edmonton, Canada with Canadian Register of Vessels Official Number 838778.

8. At the date of receivership, the Catamaran was under a Charter Management Agreement (the "Charter Agreement") between 1859 AB and Island Cruising Ltd.

9. The Receiver received multiple offers to purchase the Catamaran from Island Cruising Ltd. All offers received were presented to TEC, in their capacity as the primary secured creditor, and no offers were pursued as they were materially less than the fair market value of the Catamaran.

10. The Receiver also analyzed the Charter Agreement, and determined the optimal recovery to the receivership estate was to disclaim and renounce the Charter Agreement. The Receiver delivered the disclaimer on October 16, 2018 and took possession of the Catamaran.

11. The Receiver sought out proposals from potential brokers for the purposes of marketing and selling the Catamaran. Ultimately, it retained M&P Yacht Sales ("M&P") as the Receiver's broker.

12. M&P marketed the Catamaran via:

  a) listings on M&P's website, as well as the websites Yachtworld.com, Boats.com and Boatdealers.com;

  b) listing in Pacific Yachting Magazine; and

  c) M&P's monthly email distribution, printed distribution sheet and their poster on M&P Yacht Centre at 110-510 Nicola St, Vancouver, BC

13. On average, the Catamaran received 42 clicks per month on M&P's website and approximately 185 clicks per month on the other websites.

14. On January 30, 2019, M&P presented the Receiver with the offer from Brian's Workshop, through his broker American Tugs & Trawlers ("ATT"). The Receiver, the Receiver's counsel, M&P, ATT and ATT's counsel negotiated terms satisfactory to all parties, over the course of a few months, culminating in the execution of the Catamaran APA. A redacted copy of the Catamaran APA is attached hereto as Appendix 'A'.

15. Brian's Workshop, the proposed Catamaran purchaser, has provided a 10% deposit to the Receiver's counsel.

16. Closing of the Catamaran APA is to be any date mutually agreed between the parties after Court approval.

RECEIVER'S COMMENTS ON THE CATAMARAN TRANSACTION

17. The Receiver supports the Catamaran APA based upon the following factors:

a) the Receiver acted in good faith and with due diligence in soliciting offers to purchase the Catamaran;

b) leading up to the offer from Brian's Workshop, M&P held a broad marketing of the Catamaran to many prospective purchasers over a reasonable timeframe and the market was reasonably canvassed, suggesting sufficient efforts were made to obtain the best price for the Catamaran;

c) the marketing process led by M&P was fair and conducted with integrity;

d) TEC, the primary secured creditor, supports the Catamaran APA; and

e) the Receiver believes the consideration in the Catamaran APA is commercially reasonable, in the best interests of creditors and other stakeholders and will maximize available recovery to creditors in the circumstances.

RECOMMENDATION

18. The Receiver respectfully recommends that this Honourable Court approve the Catamaran APA and the sale of the Catamaran.

Dated at Calgary, this 15th day of April, 2019.

ERNST & YOUNG INC.
in its capacity as the
Receiver of the Corporations

Peter Chisholm, CPA, CA, CIRP, LIT
Vice-President

APPENDIX ‘A’

REDACTED

CATAMARAN APA

VESSEL PURCHASE AND SALE AGREEMENT

THIS AGREEMENT is made as of the ___day of ______, 2019,

BETWEEN:

ERNST & YOUNG INC., solely in its capacity as the receiver and manager of the assets, undertaking and property of **1859821 ALBERTA INC.**, and not in its personal capacity

(the "**Vendor**")

AND:

BRIAN'S WORKSHOP LLC, a Washington limited liability company

(the "**Purchaser**")

WHEREAS pursuant to an order of the Honourable Justice B.E.C. Romaine of the Alberta Court of Queen's Bench (the "**Court**") dated July 19, 2018, under Court Action Number 1801-09188 (the "**Appointment Order**"), Ernst & Young Inc. (the "**Receiver**") was appointed receiver of 1859821 Alberta Inc. ("**185**");

AND WHEREAS Vendor wishes to sell, and Purchaser wishes to buy, the Vessel Shares (as defined herein), subject to and in accordance with the terms and conditions hereof;

NOW THEREFORE in consideration of the premises, mutual covenants and agreements contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the Parties), the Parties agree as follows:

1. Interpretation

1.1 Definitions

In this Agreement, unless the context otherwise requires:

(a) "**Affiliate**" means, with respect to any Person, any other Person or group of Persons acting in concert, directly or indirectly, that controls, is controlled by or is under common control with such Person. The term "**control**" as used in the preceding sentence means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person whether through ownership or more than 50% of the voting securities of such Person, by contract or otherwise;

(b) "**Applicable Law**" means, in relation to any Person, property or circumstance, all laws, statutes, rules, regulations, official directives and orders of Governmental Authorities (whether administrative, legislative, executive or otherwise), including judgments, orders and decrees of courts, commissions or bodies exercising similar functions, as amended, and includes the provisions and conditions of any permit, licence or other governmental or regulatory authorization, that are in effect as at the relevant time and are applicable to such person, property or circumstance;

(c) "**Brokers**" means American Tug and Trawler and M&P Yacht Centre;

(d) "**Business Day**" means a day other than a Saturday, a Sunday or a statutory holiday in Calgary, Alberta;

(e) "**Claim**" means any claim, demand, lawsuit, proceeding or arbitration, or any investigation by a Governmental Authority, pertaining to the Vessel or the Vessel Shares, whether asserted, threatened, pending or existing;

(f) "**Closing**" means the transfer of possession, legal and beneficial ownership and risks of the Vessel Shares from Vendor to Purchaser and payment of the Purchase Price by Purchaser to Vendor, and all other items and considerations required to be delivered on the Closing Date pursuant hereto;

(g) "**Closing Date**" means

(i) three Business Days following the grant of the Court Order; or

(ii) such other date as agreed upon in writing by the Parties;

(h) "**Closing Place**" means the office of the Vendor or the office of the Vendor's Solicitors, or such other place as may be agreed upon in writing by the Parties;

(i) "**Court Order**" means an order to be granted by the Court substantially in the form of Schedule "C" which authorizes, approves and confirms this Agreement and the sale of the Vessel by Vendor to Purchaser in accordance with the terms and conditions contained herein, and vests legal and beneficial title to the Vessel in Purchaser free and clear of all encumbrances, liens, security interests or Claims;

(j) "**Governmental Authority**" means any federal, national, provincial, territorial, municipal or other government, any political subdivision thereof, and any ministry, sub-ministry, agency or sub-agency, court, board, bureau, office, commission or department, as well as any government-owned entity, any regulatory authority and any public authority or any public utility, having jurisdiction over a Party, the Vessel, the Vessel Shares or the Transaction;

(k) "**Losses**" means all actions, causes of action, losses, costs, Claims, damages, penalties, assessments, charges, expenses, and other liabilities and obligations which a Party suffers, sustains, pays or incurs, including reasonable legal fees and other professional fees and disbursements on a full-indemnity basis, but notwithstanding the foregoing shall not include any liability for indirect or consequential damages including business loss, loss of profit, economic loss, punitive damages or income tax liabilities;

(l) "**Party**" means a party to this Agreement;

(m) "**Person**" means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executor, Governmental Authority or other entity;

(n) "**Purchase Price**" has the meaning set out in Section **Error! Reference source not found.** hereof;

(o) **"Representative"** means, with, respect to any Party, its Affiliates, and its and their respective directors, officers, servants, agents, advisors, employees and consultants;

(p) **"Sales Taxes"** means all transfer, sales, excise, stamp, licence, production, value-added and other like taxes, assessments, charges, duties, fees, levies or other charges of a Governmental Authority (including additions by way of penalties, interest and other amounts relating to late filings or payments) with respect to the transfer and conveyance to Purchaser of the Vessel Shares, and any income taxes and penalties and interest related thereto;

(q) **"Transaction"** means the transaction for the purchase and sale of the Vessel Shares contemplated by this Agreement;

(r) **"Vendor's Solicitors"** means Borden Ladner Gervais LLP;

(s) **"Vessel"** means 2015 built 48' Leopard 48 Catamaran, HIN ZA-RACA8063G415, registered with Canadian Register of Vessels Official Number 838778 OPSMOBIL of Edmonton, AB., including all of its equipment, fittings and appurtenances; and

(t) **"Vessel Shares"** means 64 shares in the Vessel, and all of the right, title and interest in and to the Vessel.

1.2 Headings

The words "Article", "Section", "subsection" and "Schedule" followed by a number or letter or combination thereof mean and refer to the specified Article, Section, subsection and Schedule of or to this Agreement.

1.3 Interpretation Not Affected by Headings

The division of this Agreement into Articles, Sections and subsections and the provision of headings for all or any thereof are for convenience and reference only and shall not affect the construction or interpretation of this Agreement.

1.4 Plurals and Gender

When the context reasonably permits, words suggesting the singular shall be construed as suggesting the plural and *vice versa*, and words suggesting gender or gender neutrality shall be construed as suggesting the masculine, feminine and neutral genders.

1.5 Schedules

There are appended to this Agreement the following Schedules pertaining to the following matters:

Schedule "A"	Bill of Sale
Schedule "B"	Form of Officer's Certificate
Schedule "C"	Form of Court Order

Such Schedules are incorporated herein by reference as though contained in the body hereof. Wherever any term or condition of such Schedules conflicts or is at variance with any term or condition in the body of this Agreement, such term or condition in the body of this Agreement shall prevail.

1.6 **Damages**

All Losses, costs, Claims, damages, expenses and liabilities in respect of which a Party has a claim pursuant to this Agreement shall include reasonable legal fees and disbursements on a full indemnity basis.

1.7 **Derivatives**

Where a term is defined in the body of this Agreement, a capitalized derivative of such term shall have a corresponding meaning unless the context otherwise requires. The word "include" and derivatives thereof shall be read as if followed by the phrase "without limitation".

1.8 **Interpretation if Closing Does Not Occur**

In the event that Closing does not occur, each provision of this Agreement which presumes that Purchaser has acquired the Vessel hereunder shall be construed as having been contingent upon Closing having occurred.

1.9 **Conflicts**

If there is any conflict or inconsistency between a provision of the body of this Agreement and that of a schedule or a document delivered pursuant hereto, the provision of the body of this Agreement shall prevail. If any term or condition of this Agreement conflicts with a term or condition of an Applicable Law, the Applicable Law shall prevail, and this Agreement shall be deemed to be amended to the extent required to eliminate any such conflict.

1.10 **Currency**

All dollar ($) amounts referenced in this Agreement are expressed in the lawful currency of the United States.

2. <u>**VESSEL PURCHASE**</u>

2.1 **Sale and Purchase**

Vendor, exercising the powers of sale granted pursuant to the Appointment Order and in its sole capacity as receiver of 185 and not in its personal or corporate capacity, hereby agrees to sell, assign, transfer, convey and set over to Purchaser, and Purchaser hereby agrees to purchase from Vendor acting in such capacity, the Vessel Shares, subject to and in accordance with the terms and conditions of this Agreement and the Court Order.

2.2 **Purchase Price**

The aggregate consideration to be paid by Purchaser to Vendor for the Vessel Shares shall be [redacted] (the "**Purchase Price**") plus applicable Sales Taxes if any, satisfied by Purchaser by payment of the Purchase Price plus applicable Sales Taxes if any to the Vendor (which may, for avoidance of doubt, be paid directly to the appropriate Governmental Authority) at Closing. The Parties hereby acknowledge and agree that the Purchase Price set forth in this Section **Error! Reference source not found.** accurately reflects and takes into proper account the value of Vessel and the Vessel Shares.

2.3 **Form of Payment**

On the Closing Date, the Purchaser will pay to the Vendor the Purchase Price by certified cheque, bank draft or wire transfer.

2.4 **Deposit**

The Parties acknowledge that a deposit (the "**Deposit**") in the amount of [redacted] representing 10% of the Purchase Price, has been delivered by Purchaser to the Vendor, to be held and released only in accordance with the provisions of this Section 2.4.

The Deposit shall be held by Vendor's Solicitors in trust for Purchaser, in a non-interest bearing account until one of the following events occurs:

(a) if Closing occurs, the Deposit, together with interest, if any, shall be released to and retained by the Vendor at Closing for Vendor's own account absolutely and be applied as partial payment of the Purchase Price;

(b) if Closing does not occur due to: (i) a failure to fulfill the conditions set forth in Section 6.2; or (ii) by failure of Vendor to fulfill the conditions set forth in Section 6.3, the Deposit, together with interest, if any, shall be returned to Purchaser by the Vendor for the account of Purchaser absolutely; and

(c) if Closing does not occur due to any reason other than as addressed by Section 2.4(b) the Deposit shall be forfeited to Vendor for the account of Vendor absolutely.

In the event that this Agreement is terminated as a result of the application of Section 2.4(b) or 2.4(c), each Party shall be released from all obligations under or in connection with this Agreement, other than the provisions with respect to confidentiality (Section 11.11) and the use of personal information (Section 11.14).

3. DUE DILIGENCE

3.1 **Due Diligence**

The Purchaser or its Representatives may examine the Vessel in a non-destructive manner. If the Vessel is in the water, the Purchaser may request that the Vendor arrange for hauling the Vessel to a boatyard of the Vendor's choice, at the Purchaser's sole cost and expense.

4. CLOSING

4.1 **Closing**

Closing shall take place at the Closing Place on the Closing Date if there has been satisfaction or waiver of the conditions of Closing herein contained. Subject to all other provisions of this Agreement, possession, risk, legal and beneficial ownership of the Vessel Shares and the Vessel shall pass from Vendor to Purchaser on the Closing Date.

4.2 **Closing Deliveries**

On the Closing Date, Vendor shall deliver to Purchaser:

(a) the original and current certificate of registry of the Vessel (or a certified transcript thereof), showing the actual ownership of the Vessel in the name of 185;

(b) a Transport Canada Bill of Sale (Form 6), duly executed by the Vendor, or such other bill of sale as is required by the registering authorities in the State of Washington;

(c) a Protocol of Delivery and Sale confirming the date and time of delivery of the Vessel, duly executed by the Vendor;

(d) a certificate of an officer of the Vendor substantially in the form attached as Schedule "B", duly executed by Vendor;

(e) a receipt for the Purchase Price as adjusted herein plus applicable Sales Taxes if any (which may, for avoidance of doubt, be paid directly to the appropriate Governmental Authority);

(f) a certified copy of the Court Order;

(g) a direction to pay each of the Brokers 5% of the Purchase Price plus applicable Sales Taxes if any, which monies come from the Purchase Price and not in addition to the Purchase Price;

(h) such other documents as may be specifically required hereunder or as may be reasonably requested by Purchaser upon reasonable notice to Vendor.

On the Closing Date, Purchaser shall deliver to Vendor:

(i) the Purchase Price, plus applicable Sales Taxes (which may, for avoidance of doubt, be paid directly to the appropriate Governmental Authority), if any;

(j) a Protocol of Delivery and Sale confirming the date and time of delivery of the Vessel, duly executed by the Purchaser;

(k) a certificate of the Purchaser, substantially in the form attached as Schedule "B", duly executed by Purchaser; and

(l) such other documents as may be specifically required hereunder or as may be reasonably requested by Vendor upon reasonable notice to Purchaser.

5. SALES TAXES

5.1 Sales Taxes

The Parties acknowledge that the Purchase Price is exclusive of all Sales Taxes. Purchaser shall be solely responsible for the payment of all Sales Taxes which may be imposed by any Governmental Authority and which pertain to Purchaser's acquisition of the Vessel Shares. Except where Vendor is required under Applicable Law to collect or pay such Sales Taxes, Purchaser shall pay such Sales Taxes directly to the appropriate Governmental Authority within the required time period and shall file when due all necessary documentation with respect to such Sales Taxes when due. Vendor will do and cause to be done such things as are reasonably requested to enable Purchaser to comply with such obligation in a timely manner. If Vendor is required under Applicable Law to pay any such Sales Taxes, Purchaser shall promptly advance to Vendor, or if Vendor has already paid same, reimburse Vendor the full amount of such Sales Taxes upon delivery to

Purchaser of copies of assessments or receipts, as applicable, showing assessment or payment, as applicable, of such Sales Taxes. Purchaser shall be responsible for the payment of any amount of Sales Taxes payable in respect of its purchase of the Vessel pursuant hereto and any interest and penalties payable in respect thereto and shall indemnify and save harmless Vendor in respect thereof. Purchaser's indemnity obligations set forth in this Section 5.1 shall survive the Closing Date indefinitely.

6. CONDITIONS OF CLOSING

6.1 Approvals

Before Closing, each of the Parties shall use all reasonable efforts to obtain any and all approvals required under Applicable Law to permit Closing of the Transaction, which shall be conditions precedent to Closing. It shall be the sole obligation of Purchaser, at Purchaser's sole cost and expense, to provide any and all financial assurances, remedial work or other documentation required by Governmental Authorities to permit the transfer to and registration of Purchaser as owner of the Vessel.

6.2 Mutual Conditions

The obligation of Purchaser to purchase the Vessel from Vendor, and of Vendor to sell the Assets to Purchaser, is subject to the following mutual conditions precedent:

(a) the Court Order being obtained; and

(b) no stay or appeal or application to vary the Court Order shall have been filed with the Court at any time by Vendor or any other Person on or before the Closing.

Unless otherwise agreed to by the Parties, if the conditions contained in this Section 6.2 have not been performed, satisfied or waived before the Closing Date, this Agreement and the obligations of Vendor and Purchaser under this Agreement shall automatically terminate without any further action on the part of either Vendor or Purchaser.

6.3 Purchaser's Conditions

The obligation of Purchaser to purchase the Vessel is subject to the following conditions precedent, which are inserted herein and made part hereof for the exclusive benefit of Purchaser and may be waived by Purchaser:

(a) Purchaser shall be satisfied with its due diligence to be conducted on the Vessel in accordance with Section 3.1 by 5:00 pm Calgary time on April 19, 2019;

(b) no material adverse change or condition shall have occurred with respect to the Vessel;

(c) the representations and warranties of Vendor herein contained shall be true in all material respects when made and shall remain true as of the Closing Date; and

(d) all obligations of Vendor contained in this Agreement to be performed prior to or at Closing shall have been timely performed in all material respects.

If any one or more of the foregoing conditions precedent has or have not been satisfied, complied with, or waived by Purchaser, at or before the Closing Date or May 30, 2019, as applicable, Purchaser may rescind this Agreement by written notice to Vendor. If Purchaser rescinds this Agreement, Vendor and Purchaser shall be released and discharged from all obligations hereunder.

6.4 Vendor's Conditions

The obligation of Vendor to sell the Assets to Purchaser is subject to the following conditions precedent, which are inserted herein and made part hereof for the exclusive benefit of Vendor and may be waived by Vendor:

(a) the representations and warranties of Purchaser herein contained shall be true in all material respects when made and shall remain true as of the Closing Date;

(b) all obligations of Purchaser contained in this Agreement to be performed prior to or at Closing shall have been timely performed in all material respects;

(c) all amounts to be paid by Purchaser to Vendor at Closing, including the Purchase Price, shall have been paid to Vendor in the form stipulated in this Agreement.

If any one or more of the foregoing conditions precedent has or have not been satisfied, complied with, or waived by Vendor, at or before the Closing Date or May 30, 2019 as applicable, Vendor may rescind this Agreement by written notice to Purchaser. If Vendor rescinds this Agreement, Vendor and Purchaser shall be released and discharged from all obligations hereunder.

6.5 Efforts to Satisfy Conditions Precedent

Purchaser and Vendor shall proceed diligently and use all reasonable efforts to satisfy and comply with and assist in the satisfaction and compliance with the foregoing conditions precedent.

7. REPRESENTATIONS AND WARRANTIES

7.1 Purchaser's Representations and Warranties

The Purchaser hereby represents and warrants to the Vendor, and acknowledges that the Vendor is relying upon the Purchaser's representations and warranties in entering into this Agreement, that:

(a) the Purchaser is a limited liability company, duly formed and validly existing, in the state of Washington, United States of America;

(b) Purchaser has all limited liability company power and authority to purchase and acquire the interest of 185 in and to the Vessel Shares according to the true intent and meaning of this Agreement;

(c) the execution, delivery and performance of this Agreement has been duly and validly authorized by any and all requisite corporate, shareholders', directors' or equivalent actions and will not result in any violation of, be in conflict with, or constitute a default under, any articles, charter, bylaw or other governing document to which Purchaser is bound;

(d) the execution, delivery and performance of this Agreement will not result in any violation of, be in conflict with, or constitute a default under, any term or provision of any agreement or document to which Purchaser is party or by which Purchaser is bound;

(e) this Agreement and any other agreements delivered in connection herewith constitute valid and binding obligations of Purchaser enforceable against Purchaser in accordance with their terms;

(f) no authorization or approval or other action by, and no notice to or filing with, any Governmental Authority or regulatory body exercising jurisdiction over the Vessel is required for the due execution, delivery and performance by Purchaser of this Agreement, other than authorizations, approvals or exemptions from requirements previously obtained and currently in force or to be obtained prior to or after Closing;

(g) Purchaser has adequate funds available in an aggregate amount sufficient to pay: (i) all amounts required to be paid by Purchaser under this Agreement; and (ii) all expenses which have been or will be incurred by Purchaser in connection with this Agreement and the Transaction;

(h) Purchaser has not incurred any obligation or liability, contingent or otherwise, for brokers' or finders' fees in respect of this Agreement or the Transaction for which Vendor shall have any obligation or liability except for the Brokers;

(i) Purchaser is acquiring the Vessel in its capacity as principal and is not purchasing the Vessel for the purpose of resale or distribution to a third party; and

(j) the Purchaser is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada)

7.2 **Vendor's Representations and Warranties**

Vendor makes only the following representations to Purchaser, which representations shall not survive Closing:

(a) Receiver has been appointed by the Court as receiver of 185 and such appointment is valid and subsisting as of the date hereof and has remained valid and subsisting up to and including the Closing Date; and

(b) subject to obtaining the Court Order, Vendor has the right to enter into this Agreement and to complete this Transaction.

7.3 **Survival**

All of the representations, warranties, covenants and agreements made by the Purchaser in this Agreement will survive Closing and will continue in full force and effect.

7.4 **Limitation**

(a) Subject to Section 7.2, Vendor expressly negates any representations or warranties, whether written or verbal, made by Vendor or its Representatives and in particular, without limiting the generality of the foregoing, Vendor disclaims all liability and responsibility for any such representation, warranty, statement or information made or communicated, whether verbal or in writing, to Purchaser or any of its Representatives. The Vessel shall be purchased on a strictly "as is, where is" basis and there are no collateral agreements, conditions, representations or warranties of any nature whatsoever made by Vendor, express or implied, arising at law, by statute, in equity or otherwise, with respect to the Vessel and in particular, without limiting the generality of the foregoing, there are no collateral agreements, conditions, representations or warranties made by Vendor, express or implied, arising at law, by statute, in equity or otherwise with respect to:

(i) the quality, condition, fitness or merchantability of the Vessel;

(ii) the accuracy or completeness of any data or materials, representations, warranties or statements made, direct or indirect, express or implied, other information relating to the Vessel (whether supplied by the Vendor, its Representatives or otherwise);

(iii) compliance with Applicable Laws;

(iv) the title and interest of 185 in and to the Vessel; or

(v) the suitability of the Vessel for any purpose.

(b) Without restricting the generality of the foregoing, Purchaser acknowledges that it has made its own independent investigation, analysis, evaluation and inspection of the Vessel and the state and condition thereof and that it is satisfied with, and has relied solely on, such investigation, analysis, evaluation and inspection as to its assessment of the condition and value of the Vessel.

(c) Except with respect to the representations and warranties in Section 7.2, Purchaser forever releases and discharges Vendor and its Representatives from any Claims and all liability to Purchaser or Purchaser's assigns and successors, as a result of the use or reliance upon advice, information or materials pertaining to the Vessel which was delivered or made available to Purchaser by Vendor or its Representatives prior to or pursuant to this Agreement.

8. Indemnities for Representations and Warranties

8.1 Purchaser's Indemnity

Purchaser shall be liable to Vendor for and shall, in addition, indemnify Vendor and Vendor's Representatives from and against, all Losses suffered, sustained, paid or incurred by Vendor or its Representatives which would not have been suffered, sustained, paid or incurred had all of the representations and warranties contained in Section 7.1 been accurate and truthful.

8.2 Survival of Claim for Representations and Warranties

The representations and warranties in Section 7.1 shall be true as of the date hereof and shall remain true on the Closing Date, for the benefit of Vendor. In the absence of fraud, however, no Claim or action shall be commenced with respect to a breach of any such representation and warranty, unless, within the twelve month period following the Closing Date, written notice specifying such breach in reasonable detail is provided to Purchaser.

9. INDEMNITIES

9.1 Post-Closing Date Indemnity

Provided that Closing has occurred, Purchaser shall be solely liable and responsible for any and all Losses which Vendor may suffer, sustain, pay or incur; and indemnify, release and save harmless Vendor and its Representatives from any and all Losses, expenses, Claims, actions, proceedings and demands, whatsoever which may be brought against or suffered by Vendor or which it may sustain, pay or incur, as a result of any fact, matter or thing resulting from, attributable to or connected with the Vessel and arising or accruing after the Closing Date.

9.2 **Third Party Claims**

The following procedures shall be applicable to any Claim by Vendor or a Vendor's Representative (the "**Indemnitee**") for indemnification pursuant to this Agreement from Purchaser in respect of any Losses in relation to a third party (a "**Third Party Claim**"):

(a) upon the Third Party Claim being made against or commenced against the Indemnitee, the Indemnitee shall within 30 Business Days of notice thereof provide written notice thereof to the Purchaser. The notice shall describe the Third Party Claim in reasonable detail and indicate the estimated amount, if practicable, of the indemnifiable Losses that have been or may be sustained by the Indemnitee in respect thereof. If the Indemnitee does not provide notice to the Purchaser within such 30 Business Day period, then such failure shall only lessen or limit the Indemnitee's rights to indemnity hereunder to the extent that the defence of the Third Party Claim was prejudiced by such lack of timely notice;

(b) if the Purchaser acknowledges to the Indemnitee in writing that the Purchaser is responsible to indemnify the Indemnitee in respect of the Third Party Claim pursuant hereto, the Purchaser shall have the right to take either or both of the following actions:

i) assume carriage of the defence of the Third Party Claim using legal counsel of its choice and at its sole cost; and/or

ii) settle the Third Party Claim, provided the Purchaser pays the full monetary amount of the settlement and the settlement does not impose any restrictions or obligations on the Indemnitee, and provided a full and final unconditional release in favour of Vendor and its Representatives is obtained in form and substance satisfactory to Vendor;

(c) if the Purchaser acknowledges to the Indemnitee in writing that the Purchaser is responsible to indemnify the Indemnitee in respect of a Third Party Claim pursuant hereto, the Indemnitee shall not enter into any settlement, consent order or other compromise with respect to the Third Party Claim without the prior written consent of the Purchaser (which consent shall not be unreasonably withheld, conditioned or delayed), unless the Indemnitee waives its rights to indemnification in respect of the Third Party Claim;

(d) each Party shall co-operate with the other Party in the defence of the Third Party Claim, including making available such of its personnel to the other Party and its Representatives whose assistance, testimony or presence is of material assistance in evaluating and defending the Third Party Claim;

(e) upon payment of the Third Party Claim, the Purchaser shall be subrogated to all Claims the Indemnitee may have relating thereto. The Indemnitee shall give such further assurances and do such things to pursue such subrogated Claims as reasonably requested from it; and

(f) if the Purchaser has paid an amount pursuant to the indemnification obligations herein and the Indemnitee shall subsequently be reimbursed from any source in respect of the Third Party Claim from any third party which results in the Indemnitee receiving, in the aggregate, more than the amount of the Third Party Claim, the Indemnitee shall promptly pay the amount of the reimbursement (including interest actually received) in excess of the Third Party Claim to the Purchaser, net of taxes required to be paid by the Indemnitee as a result of any such receipt

10. MAINTENANCE OF VESSEL

10.1 Maintenance of Vessel

From the date hereof until the Closing Date, Vendor shall use reasonable commercial efforts, to the extent that the nature of the Receiver's obligations and 185's interest permits, and subject to the Appointment Order, and any other agreements and documents to which the Vessel is subject:

(a) maintain the Vessel in a proper and prudent manner in material compliance with all Applicable Laws and directions of Governmental Authorities, including obtaining insurance in a commercially reasonable manner; and

(b) pay or cause to be paid all costs and expenses relating to the Vessel which become due from the date hereof to the Closing Date.

11. MISCELLANEOUS

11.1 Further Assurances

Each Party will, from time to time and at all times after Closing, without further consideration, do such further acts and deliver all such further assurances, deeds and documents as shall be reasonably required to fully perform and carry out the terms of this Agreement.

11.2 Receiver

Purchaser acknowledges that, in acting as the Vendor, Receiver is acting solely in its capacity as the Court-appointed receiver and manager of the assets, undertaking and property of 185, and not in its personal or corporate capacity. Under no circumstances shall Receiver or its Representatives have any liability pursuant to this Agreement, or in relation to the Transaction whether such liability be in contract, tort or otherwise.

11.3 Entire Agreement

Except for the Appointment Order and the Court Order, the provisions contained in any and all documents and agreements collateral hereto shall at all times be read subject to the provisions of this Agreement and, in the event of conflict, except for the Appointment Order and the Court Order, the provisions of this Agreement shall prevail. In the event that Closing occurs, except for the Appointment Order and the Court Order, this Agreement supersedes all other agreements (other than any confidentiality agreement between Vendor and Purchaser), documents, writings and verbal understandings between the Parties relating to the subject matter hereof and expresses the entire agreement of the Parties with respect to the Transaction herein.

11.4 Governing Law

This Agreement shall, in all respects, be subject to, interpreted, construed and enforced in accordance with and under the laws of the Province of Alberta and the laws of Canada applicable therein and shall, in every regard, be treated as a contract made in the Province of Alberta and all disputes shall be determined within the receivership proceedings bearing Alberta Court of Queen's Bench Court Action: 1801-09188. The Parties irrevocably attorn and submit to the jurisdiction of the courts of the Province of Alberta and courts of appeal therefrom in respect of all matters arising out of this Agreement.

11.5 **Assignment and Enurement**

This Agreement shall not be assigned by a Party without the prior written consent of the other Party, which consent may be unreasonably and arbitrarily withheld. This Agreement shall be binding upon and shall enure to the benefit of the Parties and their respective administrators, trustees, receivers, successors and permitted assigns.

11.6 **Time of Essence**

Time is of the essence in this Agreement.

11.7 **Notices**

The addresses and fax numbers of the Parties for delivery of notices hereunder shall be as follows:

Vendor - Ernst & Young Inc.
As Court-appointed receiver of 1859821 Alberta Inc.
2200, 215 2 Street SW
Calgary, Alberta T2P 1M4
Attention: Peter Chisholm
Email: Peter.Chisholm@ca.ey.com
Fax: (403) 206-5035

With a copy to (which does not constitute notice):

Borden Ladner Gervais LLP
1900, 520 3rd Avenue SW
Calgary, Alberta T2P 0R3
Attention: Robyn Gurofsky
Fax: 403-266-1395

Purchaser -
Attn: Brian Denault
2209 – 2033 2 Ave
Seattle, WA 98121

With a copy to (which does not constitute notice):

Karr Tuttle Campbell
701 Fifth Ave, Suite 3300
Seattle, WA 98104
Attention: Christian C. Weinmann
cweinmann@karrtuttle.com

All notices, communications and statements required, permitted or contemplated hereunder shall be in writing, and shall be delivered as follows:

(a) by delivery to a Party between 8:00 a.m. and 4:00 p.m. on a Business Day at the address of such Party for notices, in which case, the notice shall be deemed to have been received by that Party when it is delivered;

(b) by facsimile to a Party to the facsimile number of such Party for notices, in which case, if the notice was faxed prior to 4:00 p.m. on a Business Day, the notice shall be deemed to have been received by that Party when it was faxed and if it is faxed on a day which is not a Business Day or is faxed after 4:00 p.m. on a Business Day, it shall be deemed to have been received on the next following Business Day; or

(c) except in the event of an actual or threatened postal strike or other labour disruption that may affect mail service, by first class registered postage prepaid mail to a Party at the address of such Party for notices, in which case, the notice shall be deemed to have been received by that Party on the fourth Business Day following the date of mailing.

A Party may from time to time change its address for service, facsimile number for service or designated representative by giving written notice of such change to the other Party.

11.8 **Invalidity of Provisions**

In case any of the provisions of this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

11.9 **Waiver**

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party and made in accordance with the Agreement. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

11.10 **Amendment**

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party.

11.11 Confidentiality and Public Announcements

Until Closing has occurred, each Party shall keep confidential all information obtained from the other Party in connection with the Vessel and this Agreement, and shall not release any information concerning this Agreement and the Transaction without the prior written consent of the other Party, which consent shall not be unreasonably withheld. Nothing contained herein shall prevent a Party at any time from furnishing information: (i) to any Governmental Authority or to the public if required by Applicable Law (provided the Purchaser shall advise the Vendor in advance of the content of any such public statement); (ii) in connection with obtaining the Court Order; or (iii) as required to 185's secured creditors.

11.12 Sealing Order

Vendor may, at its discretion, apply to the Court for a sealing order with respect to a report prepared by Vendor containing the financial and other confidential details of this Transaction (the "**Confidential Report**"), such order sealing Vendor's Confidential Report and the confidential information contained therein from the public court file for the period directed by the Court. Pursuant to the terms of such sealing order applied for by Vendor, only the judge presiding over the receivership proceedings of 185, Vendor, Purchaser and their respective Representatives and the secured creditors of 185 who have executed confidentiality agreements, and subject to the terms of those confidentiality agreements, shall have access to Vendor's Confidential Report and the confidential information contained therein.

11.13 Termination

This Agreement may be terminated at any time prior to Closing:

(a) by mutual written agreement of Vendor and Purchaser; or

(b) by either Vendor or Purchaser pursuant to the provisions of Sections 6.3 and 6.4,as applicable.

11.14 Personal Information

Purchaser covenants and agrees to use and disclose any personal information contained in any of the books, records or files transferred to Purchaser or otherwise obtained or reviewed by Purchaser in connection with the Transaction only for those purposes for which it was initially collected from or in respect of the individual to which such information relates, unless:

(a) Vendor or Purchaser has first notified such individual of such additional purpose, and where required by the Applicable Laws, obtained the consent of such individual to such additional purpose; or

(b) such use or disclosure is permitted or authorized by Applicable Laws, without notice to, or consent from, such individual.

Purchaser's obligations set forth in this Section 11.14 shall survive the Closing Date indefinitely.

11.15 No Merger

The covenants, representations, warranties and indemnities contained in this Agreement shall be deemed to be restated in any and all assignments, conveyances, transfers and other documents conveying the interests of 185, in and to the Vessel to Purchaser, subject to any and all time and other limitations contained in this Agreement.

There shall not be any merger of any covenant, representation, warranty or indemnity in such assignments, conveyances, transfers and other documents notwithstanding any rule of law, equity or statute to the contrary and such rules are hereby waived.

11.16 **Counterpart Execution**

This Agreement may be executed and delivered in counterpart and transmitted by facsimile or other electronic means and all such executed counterparts, including electronically transmitted copies of such counterparts, shall together constitute one and the same agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

BRIAN'S WORKSHOP LLC, a Washington limited liability company

Brian DeNault

By: Brian DeNault, its Manager

ERNST & YOUNG INC., solely in its capacity as the Receiver and Manager of the assets, undertaking and property of 1859821 Alberta Inc corporation, and not in its personal capacity

____

Per:
Name:
Title:

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

BRIAN'S WORKSHOP LLC, a Washington limited liability company	**ERNST & YOUNG INC., solely in its capacity as the Receiver and Manager of the assets, undertaking and property of 1859821 Alberta Inc corporation, and not in its personal capacity**
______________________________	______________________________
By: Brian DeNault, its Manager	**Per:**
	Name: Peter Chisholm
	Title: Vice President

#1237291 v2 / 72108-001

SCHEDULE "A"
Bill of Sale
See attached

BILL OF SALE

Prior to completing this form, please read the **Privacy Notice Statement** located at the bottom of the form.

As there is no "Name of vessel" and "Port of Registry" for vessels in the **Small Vessel Register**, these fields should not be completed.

I understand that every person who provides false or misleading information commits an offence under Section 37 of the ***Canada Shipping Act, 2001***.

Official number	Name of vessel	Port of registry

Full name(s) and address(es) of registered owner(s)/seller(s)

State special circumstances

NOTE TO OWNER(S)/SELLER(S): A copy of this Bill of Sale **must** be sent to the Vessel Registry Office at:

Transport Canada
Vessel Registration, Marine Safety & Security
330 Sparks Street
Ottawa Ontario K1A 0N8
1-877-242-8770

NOTE TO PURCHASER(S): A purchaser of a registered vessel does not obtain a complete title until the Bill of Sale has been recorded in the Canadian Register of Vessels by a Registrar.

Number of shares transferred [1] ______

Full name(s) and address(es) of purchaser(s)

I/We, the seller(s) in consideration of the sum agreed and paid to us by the purchaser(s), the receipt of which is hereby acknowledged, transfer to the purchaser(s), the number of shares indicated on this form, in the vessel described above and in its boats and appurtenances. Further, the seller(s) covenant with the purchaser(s) that the seller(s) have the power to transfer the vessel, its boats and appurtenances that they are free of encumbrances **except as appears on the Register of the vessel**. (delete if not applicable)

[1] 64 shares represent 100% ownership of a Canadian vessel

Official number	Name of vessel	Port of registry

INDIVIDUAL

Signature of registered owner/seller

Signature of registered owner/seller

Signature of registered owner/seller

Signature of registered owner/seller

Signature of registered owner/seller

Date Bill of Sale signed (dd-mm-yyyy)

1 – CORPORATION

I ______________________ state that I have authority to bind ______________________.
Name and title (Print) — Name of corporation (Print)

I also state that ______________________ is the name of a corporation which legally exists at the date of this Bill of Sale:
Name of corporation (Print)

◯ as per the laws of Canada; **OR** ◯ as per the laws of ______________________.
Name of province/state (Print)

This Bill of Sale must be signed by any Officer or Director of the corporation who has the authority to bind the corporation. Pursuant to Sections 51(2) and 75.01 (2) of the ***Canada Shipping Act, 2001*** applicants may be required to provide additional information as requested by the Chief Registrar.

I understand that it is an offence for a person to knowingly make a false or misleading statement in writing and that the penalty can be a fine or imprisonment or both if found guilty in a court of law (Section 37 of the ***Canada Shipping Act, 2001***).

Signature of Officer or Director

Date Bill of Sale signed (dd-mm-yyyy)

2 – CORPORATION

I ______________________ state that I have authority to bind ______________________.
Name and title (Print) — Name of corporation (Print)

I also state that ______________________ is the name of a corporation which legally exists at the date of this Bill of Sale:
Name of corporation (Print)

◯ as per the laws of Canada; **OR** ◯ as per the laws of ______________________.
Name of province/state (Print)

This Bill of Sale must be signed by any Officer or Director of the corporation who has the authority to bind the corporation. Pursuant to Sections 51(2) and 75.01 (2) of the ***Canada Shipping Act, 2001*** applicants may be required to provide additional information as requested by the Chief Registrar.

I understand that it is an offence for a person to knowingly make a false or misleading statement in writing and that the penalty can be a fine or imprisonment or both if found guilty in a court of law (Section 37 of the ***Canada Shipping Act, 2001***).

Signature of Officer or Director

Date Bill of Sale signed (dd-mm-yyyy)

INDIAN BAND

Name of Indian Band (Print)

Signature

Name of person signing above (Print)

Date Bill of Sale signed (dd-mm-yyyy)

SEAL

Canada

FEDERAL GOVERNMENT OR PROVINCIAL GOVERNMENT

I, the undersigned, ______________________ of the department or ministry of ______________________ declare as follows:

The above general description of the vessel(s) is/are correct to the best of my knowledge and belief. The document(s) of title establish ownership to:

○ Federal — Her Majesty the Queen in Right of Canada, represented by the Honourable Minister of ______________________ entitles the department or ministry to be registered as owner of 64 shares of the said vessel under the ***Canada Shipping Act, 2001***, Subsection 46.(3).

○ Provincial — Her Majesty the Queen in Right of the Province, represented by the Minister of ______________________ entitles the department or ministry to be registered as owner of 64 shares of the said vessel under the ***Canada Shipping Act, 2001***, Subsection 46.(3).

Signed at ______________________ ______________________ ______________________

Place — Signature of owner — Date (dd-mm-yyyy)

TITLE AND ADDRESS OF THE PERSON SIGNING ON BEHALF OF THE DEPARTMENT OR MINISTRY

Title	
Address	
Telephone number	Facsimile number

NOTES

1. Qualifications to own a vessel registered in Canada are set out in the interpretation section of the ***Canada Shipping Act, 2001***.
2. If jointly owned, all the joint owners must act together. If the shares are split, **each** owner/seller must complete a separate Bill of Sale.
3. In the case of an Indian Band, the Bill of Sale must be made by person(s) authorized by Band Council Resolution **OR** by affixing the seal of the Indian Band on this Bill of Sale.
4. The Authorized Representative is required to report any changes, such as a change in the owner's or a registered mortgagee's name or address, (S. 58 of the ***Canada Shipping Act, 2001***).

Canada

SCHEDULE "B"
Form of Officer's Certificate

TO: **[PURCHASER/VENDOR]**

RE: Vessel Purchase and Sale Agreement dated the ___ day of ______, 2019 (the "**Sale Agreement**"), between Ernst & Young Inc., solely in its capacity as the receiver and manager of the assets, undertaking and property of 1859821 Alberta Inc. (the "**Vendor**") and Brian's Workshop LLC (the "**Purchaser**").

The undersigned, [**INSERT NAME**], being the [**INSERT TITLE**] of [Vendor/Purchaser], hereby certifies, for and on behalf of [Vendor/Purchaser] and not in his/her personal capacity, as follows:

1. The undersigned is personally familiar, in his/her capacity as an officer of [Vendor/Purchaser], with the matters hereinafter certified.

2. This certificate is made and delivered pursuant to clause [4.2(c)/4.2(i)] of the Sale Agreement.

3. The definitions contained in the Sale Agreement are adopted in this Certificate and wherever used shall have the meanings ascribed to them in the Sale Agreement.

4. [Vendor's/Purchaser's] representations and warranties set forth in clause [7.1/7.2] of the Sale Agreement are true in all material respects when made and remain true in all material respects as of the Closing Date.

5. All obligations and covenants of [Vendor/Purchaser] to be performed or complied with at Closing have been timely performed in all material respect.

6. All Closing conditions for the benefit of the [Vendor/Purchaser] contained in Section [6.3/6.4] of the Sale Agreement have been satisfied or waived by the [Vendor/Purchaser].

7. This Certificate is made for and on behalf of the Vendor/Purchaser and is binding upon it, and I am not incurring and will not incur any personal liability whatsoever with respect to it.

DATED at Calgary, Alberta, as of the _____ day of _____________, 2019.

[VENDOR/PURCHASER]

Per: ___________________________________

Name:
Title:

SCHEDULE "C"
Form of Court Order
See attached

COURT FILE NUMBER	1801-09188	Clerk's Stamp
COURT	COURT OF QUEEN'S BENCH OF ALBERTA	
JUDICIAL CENTRE	CALGARY	
PLAINTIFF	THIRD EYE CAPITAL CORPORATION	
RESPONDENTS	RANCH ENERGY CORPORATION, OPSMOBIL INC., 1734163 ALBERTA LTD., 1859821 ALBERTA INC., OPSMOBIL GROUP INC., OPSMOBIL CONSTRUCTIONS INC., OPSMOBIL ENERGY SERVICES INC., AIR DALLAIRE LTD., and KL CAPITAL CORP.	
DOCUMENT	**APPROVAL AND VESTING ORDER (Catamaran Sale by Receiver)**	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Robyn Gurofsky Borden Ladner Gervais LLP 1900, 520 3 Avenue SW Calgary, AB T2P 0R3 Telephone: 403.232.9774 Facsimile: 403.266.1395 Email: RGurofsky@blg.com File Number: 413255-000063	

DATE ON WHICH ORDER WAS PRONOUNCED: March 5, 2019

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice M. Hollins

UPON THE APPLICATION by Ernst and Young Inc. in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of the undertaking, property and assets of 1859821 Alberta Inc. and the other respondents named herein (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and **[Name of Purchaser]** (the "**Purchaser**") dated **[Date]** and appended to the Eighth Report of the Receiver dated **[Date]** (the "**Report**"), and vesting in the Purchaser (or its nominee) the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**");

AND UPON HAVING READ the Receivership Order dated July 19, 2018 and the Amended Receivership Order dated August 7, 2018 (the "**Receivership Order**"), the Report and the Affidavit of Service; **AND UPON HEARING** the submissions of counsel for the Receiver, Third Eye Capital Corporation, the Purchaser and any other party appearing at the application;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

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

APPROVAL OF TRANSACTIONS

[2] The Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver 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 Transaction or for the conveyance of the Purchased Assets to the Purchaser (or its nominee).

VESTING OF PROPERTY

[3] Upon the delivery of a Receiver's certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule "A"** hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on **Schedule "B"** hereto shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, 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 Receivership Order;

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

c. those Claims listed on **Schedule "C"** hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, caveats, easements and restrictive covenants listed on **Schedule "D"**); and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

[4] For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to 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.

[5] The Purchaser (and its nominee, if any) shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against the Debtor.

[6] The Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, save and except for the persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Purchased Assets and, to the extent that any such persons remains in possession or control of any of the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).

[7] The Purchaser (or its nominee) 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 or through or against the Debtor.

[8] Immediately after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Receiver or the Debtor.

[9] The Receiver is to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof to the Purchaser (or its nominee).

[10] Notwithstanding:

The pendency of these proceedings;

Any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and

Any assignment in bankruptcy made in respect of the Debtor

the vesting of the Purchased Assets in the Purchaser (or its nominee) 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 settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) 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.

[11] The Receiver, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and directions 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 Transaction.

MISCELLANEOUS MATTERS

[12] This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver 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 orders as to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

[13] This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.

[14] Service of this Order on any party not attending this application is hereby dispensed with.

J.C.C.Q.B.A.

Schedule "A"

Form of Receiver's Certificate

COURT FILE NUMBER	1801-09188	Clerk's Stamp
COURT	COURT OF QUEEN'S BENCH OF ALBERTA	
JUDICIAL CENTRE	CALGARY	
PLAINTIFF	THIRD EYE CAPITAL CORPORATION	
RESPONDENTS	RANCH ENERGY CORPORATION, OPSMOBIL INC., 1734163 ALBERTA LTD., 1859821 ALBERTA INC., OPSMOBIL GROUP INC., OPSMOBIL CONSTRUCTIONS INC., OPSMOBIL ENERGY SERVICES INC., AIR DALLAIRE LTD., and KL CAPITAL CORP.	
DOCUMENT	**Receiver's Certificate**	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Robyn Gurofsky Borden Ladner Gervais LLP 1900, 520 3 Avenue SW Calgary, AB T2P 0R3 Telephone: 403.232.9774 Facsimile: 403.266.1395 Email: RGurofsky@blg.com File Number: 413255-000063	

RECITALS

A. Pursuant to an Order of the Honourable Justice B.E.C. Romaine of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated July 19, 2018, Ernst and Young Inc. was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of 1859821 Alberta Inc. and the other respondents listed herein (the "**Debtor**").

B. Pursuant to an Order of the Court dated March 5, 2019, the Court approved the agreement of purchase and sale made as of **[Date of Agreement]** (the "**Sale Agreement**") between the Receiver and **[Name of Purchaser]** (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in **section** * of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser (or its nominee) has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;

2. The conditions to Closing as set out in **section** * of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and

3. The Transaction has been completed to the satisfaction of the Receiver.

4. This Certificate was delivered by the Receiver at **[Time]** on **[Date]**.

Ernst and Young Inc., in its capacity as Receiver of the undertaking, property and assets of 1859821 Alberta Inc., and not in its personal capacity.

Per;______________________________

Name:

Title:

SCHEDULE "B"

Purchased Assets

[See purchased assets as described in purchase and sale agreement]

SCHEDULE "C"

Encumbrances

SCHEDULE "D"

Permitted Encumbrances

Transport Canada Transports Canada Canadä

Transport Canada - Transports Canada Date : 2019-03-29

Ship Registration Computer System - Système informatique d'immatriculation de bâtiments

Transcript of Registry

Official Number: 838778

VESSEL PARTICULARS:

Vessel Name:	OPSMOBIL
IMO Number:	
Port of Registry:	EDMONTON
Date Of Registry:	2015-01-13
Certificate Expiry Date:	2021-03-31
Certificate Cancellation Date:	
Vessel Type:	PLEASURE CRAFT

FORMER:

Former Vessel Name:	
Former Port of Registry:	

BUILDER INFORMATION:

Year Built: 2014/00 Year Re-Built:

Hull No.: RACA8063G415

Builder:	Party ID:	Address:
ROBERTSON & CAINE PTY LTD	190320	WOODSTOCK, CAPE TOWN, AFRICA

Place of Build: WOODSTOCK, AFRICA

CONSTRUCTION INFORMATION:

Construction Type:	MOULDED
Construction Material:	FABRIC/GRP

PARTICULARS OF PROPULSION:

Number of Engines:	2	Engine Description:	DIESEL
Number of Boilers:		Speed (Knots):	9
Propulsion:	AUXILIARY	Unit/Brake Power:	81 KILOWATTS

DIMENSIONS

	Imperial	Metric
Length:	48.2612	14.7100
Breadth:	25.0000	7.6200
Depth:	10.8268	3.3000

TONNAGES

	Tons	Cubic Meters
Gross:	47.45000	134.36415
Deductions:		
Net/Register:	45.08000	127.65302

Measurement Method: CERTIFICATE OF SURVEY

AIR CUSHION VEHICLE:

Model Designation:

All Up Weight: KG

OWNER(S)- Owners with the same seq. no. are joint owners

Seq- Shares	Vessel Owner(s):	Party ID:	Address:
1 - 64	1859821 ALBERTA INC.	196409	1200-815 8TH AVENUE SW CALGARY, AB T2P 3P2 CANADA

AUTHORIZED REPRESENTATIVE

Authorized Representative:	Party ID:	Address:
1859821 ALBERTA INC.	196409	1200-815 8TH AVENUE SW CALGARY, AB T2P 3P2 CANADA

MORTGAGES AND ASSIGNMENTS

Mortgage: A **Deed Date:** 2015-06-09

Detail: AN ACCOUNT CURRENT WITH INTEREST AS AGREED

Account Current: Yes **Special Indicator:**

Seq- Shares:	Mortgagor/Assignor(s) as shown on deed:	Party ID:	Address:
1 - 64	1859821 ALBERTA INC.	196409	1200-815 8TH AVENUE SW CALGARY, AB T2P 3P2 CANADA
	Mortgagee/Assignee:		
	THIRD EYE CAPITAL CORPORATION	198580	3930-161 BAY ST. TD CANADA TRUST TOWER TORONTO, ON M5J 2S1 CANADA

Mortgage: B **Deed Date:** 2015-12-23

Detail: ACCOUNT CURRENT AS AGREED

Account Current: Yes **Special Indicator:**

Seq- Shares:	Mortgagor/Assignor(s) as shown on deed:	Party ID:	Address:
1 - 64	1859821 ALBERTA INC.	196409	1200-815 8TH AVENUE SW CALGARY, AB T2P 3P2 CANADA
	Mortgagee/Assignee:		
	THIRD EYE CAPITAL CORPORATION	198580	3930-161 BAY ST. TD CANADA TRUST TOWER TORONTO, ON M5J 2S1 CANADA

Priority Agreement: No

MISCELLANEOUS

Number of Encumbrances: 2

Injunction: No

Financing Agreement: No

Date Suspended:

Suspension Reason:

Date Closed:

Closed Reason:

I hereby certify that the forgoing particulars are true:

TRANSPORT CANADA
VESSEL REGISTRATION
MAR 29 2019
IMMATRICULATION DES BÂTIMENTS
TRANSPORTS CANADA

Kaitlyn Edwards
Registrar
Vessel Registration

Issue date and time: 2019-03-29 8:51