

COURT FILE NUMBER 1701-01142

COURT COURT OF QUEEN'S BENCH OF ALBERTA

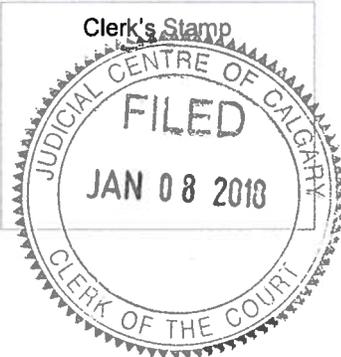
JUDICIAL CENTRE CALGARY

PLAINTIFFS CHINA MINSHENG BANKING CORP., LTD.,
HONG KONG BRANCH AND CHINA
MINSHENG BANKING CORP., LTD.,
SHANGHAI BRANCH, AND SONICFIELD
GLOBAL LIMITED, AS SECURED
LENDERS, AND COMPUTERSHARE
TRUST COMPANY OF CANADA, IN ITS
CAPACITY AS COLLATERAL AGENT FOR
AND ON BEHALF OF THE SECURED
LENDERS

DEFENDANTS GRANDE CACHE COAL LP, GRANDE
CACHE COAL CORPORATION, UP
ENERGY (CANADA) LIMITED AND 0925165
B.C. LTD.

DOCUMENT **ORDER (SALE APPROVAL AND VESTING ORDER)**

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS DOCUMENT
McCARTHY TÉTRAULT LLP
Barristers & Solicitors
Sean F. Collins / Walker W. MacLeod / Pantelis Kyriakakis
Suite 4000, 421 - 7 Avenue S.W.
Calgary, AB T2P 4K9
Phone: 403-260-3531 / 3710 / 3536
Fax: 403-260-3501
Email: scollins@mccarthy.ca / wmacleod@mccarthy.ca /
pkyriakakis@mccarthy.ca



I hereby certify this to be a true copy of
the original **ORDER**
Dated this 8 day of January 2018
for Clerk of the Court

DATE ON WHICH ORDER WAS PRONOUNCED: January 8, 2018

NAME OF JUDGE WHO MADE THIS ORDER: Honourable Justice K.M. Horner

LOCATION OF HEARING: Calgary, Alberta

UPON the application (the "**Application**") of Deloitte Restructuring Inc., in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of the undertaking, property and assets of Grande Cache Coal LP and Grande Cache Coal Corporation (collectively, the "**Debtors**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and Sonicfield Global Limited or its assignee (the "**Purchaser**") dated December 22, 2017; **AND UPON** reading the Second Report of the Receiver dated January 2, 2018 (the "**Second Receiver's Report**") in support of the

Application to vest in the Purchaser (or its nominee) the Debtors' right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**"); **AND UPON** having read the Second Supplemental Confidential Receiver's Report, dated January 2, 2018 (collectively, the "**Confidential Supplement**");

AND UPON HAVING READ the receivership orders dated January 24, 2017 and February 3, 2017 (collectively, the "**Receivership Order**"), the Second Receiver's Report and the Affidavit of Service of Katie Doran, sworn on January 5, 2018 (the "**Service Affidavit**"); **AND UPON HEARING** the submissions of counsel for the Receiver, the Purchaser, and any other parties present, no one appearing for any other person on the service list, although properly served as appears from the Service Affidavit, filed;

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**"), subject only to approval of the transfer of applicable licenses, permits and approvals by the Alberta Energy Regulator ("**AER**") pursuant to legislation administered by the AER, all of the Debtors' 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. Upon the delivery of the Receiver's Certificate, and upon the filing of a certified copy of this Order, together with any applicable registration fees, the Registrar of Land Titles of Alberta (the "**Registrar**") is hereby authorized, requested, and directed to:

- (a) cancel the existing Certificate of Title No. 112 051 652 for those lands and premises legally described as:

Plan 9722205
Block 26
Lots 159 to 161 inclusive
- (b) cancel the existing Certificate of Title No. 112 251 520 for those lands and premises legally described as:

Plan 0726030
Block 45
Lot 39
- (c) cancel the existing Certificate of Title No. 092 189 896 for those lands and premises legally described as:

Condo Plan 0925042
Units 11- 19 and 21-44

(collectively, the "**Lands**").

and to issue a new Certificate of Title for the Lands in the name of the Purchaser (or its nominee) and to register such transfers, discharges, discharge statements of conveyances, as may be required to convey clear title to the Lands to the Purchaser (or its nominee), which Certificate of Title shall be subject only to those encumbrances (the "**Permitted Encumbrances**") listed on Schedule "D" hereto.

5. Upon the delivery of the Receiver's Certificate, and upon the filing of a certified copy of this Order, together with any applicable registration fees, the Registrar or Registrars under the *Land Titles Act* (Alberta) (the "**LTA**"), the Alberta Department of Energy and the Minister of Energy of Alberta, and all other government ministries and authorities in Alberta, respectively, exercising jurisdiction with respect to or over the Assets (collectively, the "**Government Authorities**"), as applicable, are hereby authorized, requested and directed to (in each case as applicable):

- (a) enter the Purchaser as the owner, lessee, and/or licensee of the Purchased Assets;
- (b) cancel the existing Certificates of Title to the Purchased Assets and issue new Certificates of Title for the Purchased Assets, in the name of the Purchaser (or its nominee);
- (c) delete and expunge from the existing title documents concerning the Purchased Assets all applicable Claims, including Encumbrances; and
- (d) register such transfers, discharges, discharge statements, or conveyances, as may be required to convey clear title to the Purchased Assets to the Purchaser, subject only to the Permitted Encumbrances.

6. This Order shall be registered and the steps set out in paragraph 5 shall be carried out by the applicable Registrar and/or Government Authorities notwithstanding the requirements of the applicable federal and provincial legislation including but not limited to the requirements of section 191(1) of the LTA and notwithstanding that the appeal period in respect of this Order has not elapsed, which appeal period is expressly waived.

NET PROCEEDS

7. For the purposes of determining the nature and priority of the 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. Upon the filing of the Receiver's Certificate and from time to time thereafter, the Receiver is authorized and empowered to distribute the net proceeds in order to fully and indefeasibly satisfy any and all debts, liabilities and obligations owing on the Receiver's Charge (as such term is defined in the Receivership Order).

8. 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 Debtors.

9. The Debtors and all persons who claim by, through or under the Debtors 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).

10. 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 Debtors, or any person claiming by or through or against the Debtors.

11. Immediately after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Receiver or the Debtors.

12. 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).

13. Pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act* and section 20(e) of the *Alberta Personal Information Protection Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll

information in the Debtors' records pertaining to the Debtors' past and current employees, including personal information of those employees listed in the Sale Agreement. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtors.

14. Notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtors and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtors,

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 Debtors and shall not be void or voidable by creditors of the Debtors, 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.

15. 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

16. 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.

17. 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.

18. Service of this Order on any party not attending this application is hereby dispensed with.

"K.M. Horner"
J.C.C.Q.B.A.

**SCHEDULE "A" OF THE FORM OF ORDER (SALE APPROVAL AND VESTING ORDER)
FORM OF RECEIVER'S CERTIFICATE**

COURT FILE NUMBER	1701-01142	Clerk's Stamp
COURT	COURT OF QUEEN'S BENCH OF ALBERTA	
JUDICIAL CENTRE	CALGARY	
PLAINTIFFS	CHINA MINSHENG BANKING CORP., LTD., HONG KONG BRANCH AND CHINA MINSHENG BANKING CORP., LTD., SHANGHAI BRANCH, AND SONICFIELD GLOBAL LIMITED, AS SECURED LENDERS, AND COMPUTERSHARE TRUST COMPANY OF CANADA, IN ITS CAPACITY AS COLLATERAL AGENT FOR AND ON BEHALF OF THE SECURED LENDERS	
DEFENDANTS	GRANDE CACHE COAL LP, GRANDE CACHE COAL CORPORATION, UP ENERGY (CANADA) LIMITED AND 0925165 B.C. LTD.	
DOCUMENT	RECEIVER'S CERTIFICATE	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	McCARTHY TÉTRAULT LLP Barristers & Solicitors Sean F. Collins / Walker W. MacLeod / Pantelis Kyriakakis Suite 4000, 421 - 7 Avenue S.W. Calgary, AB T2P 4K9 Phone: 403-260-3531 / 3710 / 3536 Fax: 403-260-3501 Email: scollins@mccarthy.ca / wmacleod@mccarthy.ca / pkyriakakis@mccarthy.ca	

RECITALS

- A. Pursuant to Orders of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated January 24, 2017 and February 3, 2017, Deloitte Restructuring Inc. was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of Grande Cache Coal LP, Grande Cache Coal Corporation, Up Energy (Canada) Limited and 0925165 BC Ltd. (collectively, the "**Debtors**").
- B. Pursuant to an Order of the Court dated January 8, 2018, the Court approved the agreement of purchase and sale made as of December 22, 2017 (the "**Sale Agreement**") between the Receiver and Sonicfield Global Limited (or its nominee) (the "**Purchaser**") and

provided for the vesting in the Purchaser of the Debtors' right, title and interest in and to the Purchased Assets (as defined in the Application), 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 that: (i) the conditions to Closing as set out in Article 10 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (ii) 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 Article 10 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.

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

DELOITTE RESTRUCTURING INC., in its capacity as Receiver of the undertaking, property and assets of Grande Cache Coal LP, Grande Cache Coal Corporation, Up Energy (Canada) Limited and 0925165 BC Ltd. and not in its personal capacity.

Per: _____
Name:
Title:

SCHEDULE "B" TO THE FORM OF ORDER (SALE APPROVAL AND VESTING ORDER)

PURCHASED ASSETS

As defined at Article 1.1(h) of the Sale Agreement.

SCHEDULE "C" TO THE FORM OF ORDER (SALE APPROVAL AND VESTING ORDER)

ENCUMBRANCES

All Encumbrances other than those defined as Permitted Encumbrances at Article 1.1(qqq) of the Sale Agreement.

SCHEDULE "D" TO THE FORM OF ORDER (SALE APPROVAL AND VESTING ORDER)

PERMITTED ENCUMBRANCES

As defined at Article 1.1(qqq) of the Sale Agreement.