

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

D. Waukentin
for Registrar in Bankruptcy

Clerk's stamp:



COURT FILE NUMBER

District of Alberta
Division No. 01 - Edmonton
Court No. 24-2101043
Estate No. 24-2101043

COURT

COURT OF QUEEN'S BENCH OF ALBERTA
IN BANKRUPTCY & INSOLVENCY

JUDICIAL CENTRE

EDMONTON

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF GRAHAM BROTHERS CONSTRUCTION GROUP LTD.

DOCUMENT

ORDER

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Attention: Cherisse Killick-Dzenick
Reynolds Mirth Richards & Farmer LLP
3200 Manulife Place
10180 - 101 Street
Edmonton, AB T5J 3W8
Telephone: (780) 425-9510
Fax: (780) 429-3044
File No: 65064-019-CKD

DATE ON WHICH ORDER WAS PRONOUNCED:

APRIL 1, 2016

NAME OF MASTER/JUDGE WHO MADE THIS ORDER:

JUSTICE K.J. NIELSEN

JUDICIAL CENTRE WHERE THE ORDER WAS MADE:

EDMONTON

ORDER

UPON THE application of Graham Brothers Construction Group Ltd. (the "Applicant"); AND UPON hearing read the Affidavit of Thomas William Graham sworn March 30, 2016 and the March 29, 2016 Trustee's Report to Court; AND UPON hearing counsel for the Applicant and counsel for the Royal Bank of Canada; AND UPON being satisfied that the Applicant is acting in good faith and with due diligence; AND UPON being satisfied that it is appropriate to authorize the Applicant to dispose of assets outside of the ordinary course of business under the circumstances, IT IS ORDERED:

1. Time for service of Notice of this Application and the materials in support is hereby abridged and service is deemed good and sufficient.

EXTENSION OF TIME

2. The Stay of Proceedings effected by the Applicant having filed a Notice of Intention to Make a Proposal on March 18, 2016 is extended for 45 days from today's date, to Monday, May 16, 2016.

SALE OF ASSETS

3. The Applicant shall be entitled to sell all or any of those assets described in Schedule 1 and Schedule 2 of the Trustee's Report to Court filed March 30, 2016 (the "Trustee's Report") through public auction at Ritchie Brothers or by such means as may be approved by both the Trustee and the Royal Bank of Canada.
4. Subject to paragraph 5 of this order, such sale shall be free and clear of any security, charge or other restriction on such assets and, more particularly, shall be free and clear of any security for which there is a registration pursuant to the *Personal Property Security Act*, or otherwise.
5. The proceeds of sale of each of the assets described in the Schedules to the Trustee's Report shall stand in place of the asset sold and subject to the same claims and priorities as was the asset sold as at the date of sale.

Disposition of Funds

Schedule 1 Assets

✓ K.J. Nielsen

6. The proceeds of sale of the assets described in Schedule 1 of the Trustee's Report and those assets in Schedule 2 of the Trustee's Report ~~of~~ being secured by RBC Leasing shall be held by the Trustee pending compliance with this Order or subsequent order of this Honourable Court.
7. The Royal Bank of Canada shall:
 - a. be at liberty to file with this Honourable Court an affidavit appending a copy of any security pursuant to which the Royal Bank of Canada claims the proceeds of the disposition of the sale of the assets in Schedules 1 and 2 and a statement of the balance outstanding to it;
 - b. after filing such affidavit, serve that affidavit on the parties served with this application and, unless, within 10 days of such service, an application is brought to this Honourable Court for an order granting alternative relief, the whole of the proceeds of the sale of the assets described in Schedule 1, except the proceeds of the asset for which alternative relief has been sought, shall be paid to the Royal Bank of Canada.

Schedule 2 Assets

8. The terms of paragraph 7 shall also apply to the proceeds of disposition of those assets described in Schedule 2 of the Trustee's Report described as being secured by RBC Leasing.

9. The proceeds of disposition of those assets described in Schedule 2 of the Trustee's Report as secured by someone other than RBC Leasing shall be held by the Trustee pending the following:
- a. The party described as the secured creditor in Schedule 2 shall, within 3 weeks of the date of this Order, provide the Trustee with a copy of its security, any information required to support a claim for priority and a statement of balance outstanding;
 - b. At the expiry of that period, the Trustee shall provide both the Royal Bank of Canada and the above described person claiming to be a secured creditor with notice of its opinion as to entitlement to the funds;
 - c. Unless application is brought to this Honourable Court for a determination to the contrary, the proceeds shall be distributed as recommended by the Trustee upon the expiry of 2 weeks from its providing its opinion as to entitlement to such proceeds;
 - d. In the event of such a dispute, entitlement to the proceeds of the sale of any such asset shall be determined by this Honourable Court, in due course.

" Justice K. J. Nielsen
Justice of the Court of Queen's Bench of Alberta

