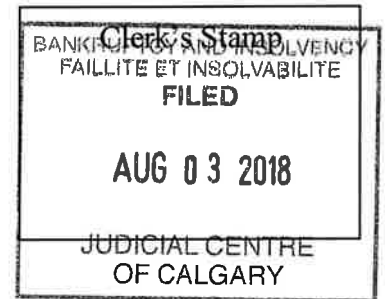


COURT FILE NUMBERS 25-2386427
25-2386434

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

JUDICIAL CENTRE CALGARY



APPLICANT IN THE MATTER OF THE DIVISION I PROPOSAL
PROCEEDINGS OF ASPEN AIR CORPORATION
and ASPEN AIR U.S. CORP.

DOCUMENT **APPLICATION**

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File No. 258090

NOTICE TO RESPONDENT(S)

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the master/judge. To do so, you must be in Court when the application is heard as shown below:

Date: August 15, 2018
Time: 3:00 PM
Where: Calgary Courts Center
Before Whom: Justice D.B. Nixon

Go to the end of this document to see what else you can do and when you must do it.

Remedy Claimed or Sought: Aspen Air Corporation (“**Aspen Air**”) and Aspen Air U.S. Corp. (“**Aspen Air US**”) (collectively, the “**Aspen Companies**”) apply for an Order, substantially in the form attached as Schedule “A” hereto:

1. Extending the period of time within which the Aspen Companies are required to file a proposal to their creditors, under section 50.4 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “**BIA**”), up to and including October 4, 2018.
2. Declaring that the Application is properly returnable today, that service of the Application and the affidavit of Onkar Dhaliwal, sworn on August 3, 2018, on the service list created and maintained in respect of the within proceedings (the “**Service List**”) is validated, good and sufficient and that no persons other than those on the Service List are entitled to service of the materials filed in connection with the within Application.
3. Ordering and declaring that service of any orders arising from the Application by email, facsimile, registered mail, courier, regular mail, or personal delivery, shall constitute good and sufficient service of such orders and that no persons other than those in attendance at the Application are entitled to be served with a copy of such orders.
4. Such further and other relief as counsel for the Applicants may advise and this Honourable Court may permit.

Grounds for Making this Application: The grounds for the Application are as follows:

5. On June 6, 2018, Aspen Air and Aspen Air US each filed a Notice of Intention to Make a Proposal (the “**NOI**”) pursuant to section 50.4 of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 (the “**BIA**”) as amended. Deloitte Restructuring Inc. was named as proposal trustee (the “**Proposal Trustee**”) in the Aspen Companies’ NOIs.

6. On June 26, 2018, Justice G.A. Campbell granted an order in the within proceedings that, *inter alia*, consolidated the proposal proceedings of Aspen Air and Aspen Air US, and extended the period of time within which the Aspen Companies must file a proposal to August 20, 2018 (the “**June 26 Order**”).

7. The Aspen Companies, in consultation with the Proposal Trustee, have decided to initiate the Sale and Investor Solicitation Process approved in the June 26 Order (the “**SISP**”), and require a further extension of time to complete the SISP and file a proposal.

Extension of Stay Period

8. The period within which the Aspen Companies have to file their proposals expires on August 20, 2018.

9. In order for the Aspen Companies to continue with their restructuring and to properly carry out and conduct the SISP, the Aspen Companies require an extension of the time within which the Aspen Companies may file a proposal (the “**Filing Period**”), pursuant to section 50.4(9) of the BIA, by 45 days up to and including October 4, 2018.

10. The extension of the Filing Period is appropriate as: (i) the Aspen Companies have acted and continue to act in good faith and with due diligence; (ii) the business of the Aspen Companies will likely be able to restructure and emerge as a viable business if the extension of the Filing Period is granted; and, (iii) the extension of the Filing Period will not materially prejudice any of the Aspen Companies’ creditors.

11. Such further and other grounds as counsel for the Aspen Companies may advise and this Honourable Court may permit.

Material or Evidence to be Relied On: The Applicants will rely on the following evidence:

12. The Affidavit of Onkar Dhaliwal, sworn on August 3, 2018; and
13. Such further and other evidence as counsel for the Applicants may advise.

Applicable Rules:

14. Rules 6.3(1), 6.9, 11.27 of the Alberta Rules of Court; and
15. Such further and other rules as counsel for the Applicants may advise and this Honourable Court may permit.

Applicable Acts and Regulations:

16. The *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, section 50.4(9); and
17. Such further and other acts and regulations as counsel for the Applicants may advise and this Honourable Court may permit.

Any Irregularity Complained of or Objection Relied On:

18. There are no irregularities complained of, or objections relied on.

How the Application is Proposed to be Heard or Considered:

19. The Applicants propose that the Application be heard in person with one, some, or all of the parties present.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicants.

SCHEDULE "A"

COURT FILE NUMBERS 25-2386427
25-2386434

Clerk's Stamp

COURT COURT OF QUEEN'S BENCH OF
ALBERTA IN BANKRUPTCY AND
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JUDICIAL CENTRE CALGARY

APPLICANT IN THE MATTER OF THE DIVISION I PROPOSAL
PROCEEDINGS OF ASPEN AIR CORPORATION
and ASPEN AIR U.S. CORP.

DOCUMENT **ORDER**

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Kourtney Rylands
Phone: 403-355-3326
Email: kourtney.rylands@mcmillan.ca

File No. 258090

DATE ON WHICH ORDER WAS PRONOUNCED: August 15, 2018

LOCATION OF HEARING OR TRIAL: Calgary, Alberta

NAME OF MASTER/JUDGE WHO MADE THIS ORDER: Justice D.B. Nixon

UPON THE APPLICATIONS of Aspen Air Corporation (“**Aspen Air** ”) and Aspen Air U.S. Corp. (“**Aspen Air US**”) (collectively, the “**Aspen Companies**”), **AND UPON** having read the Affidavit of Onkar Dhaliwal, sworn on August 3, 2018 (the “**August 3, 2018 Dhaliwal Affidavit**”), filed; **AND UPON** having read the Affidavit of Service of Patricia Gibbard, sworn _____, 2018 (the “**Affidavit of Service**”), filed; **AND UPON** hearing counsel to the Aspen Companies, counsel to the Proposal Trustee, and any counsel present for other parties;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. The Application is properly returnable today, service of the Application and the August 3, 2018 Dhaliwal Affidavit on the service list prepared by the Aspen Companies and maintained in these proceedings (the “**Service List**”), in the manner described in the Affidavit of Service, is validated, good and sufficient and no other persons are entitled to service of the August 3, 2018 Dhaliwal Affidavit or the Application.

FILING EXTENSION

2. The period of time within which the Aspen Companies are required to file a proposal to their creditors, under section 50.4 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “**BIA**”), shall be and is hereby extended up to and including October 4, 2018.

SERVICE AND NOTICE

3. Service of this Order by email, facsimile, registered mail, courier or personal delivery to the persons listed on the Service List shall constitute good and sufficient service of this Order, and no persons other than those listed on the Service List are entitled to be served with a copy of this Order.

J.C.Q.B.A.