

Clerk's Stamp:



COURT FILE NUMBER 1603 20704

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON

PLAINTIFF ROYAL BANK OF CANADA

DEFENDANTS ELEMENTS WEST INC., DAMEN TRUCKING LTD., PETER DAMEN, DAVID DAMEN, ANDREW DAMEN and KAREN DAMEN

DOCUMENT INTERIM DISTRIBUTION ORDER

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Katherine J. Fisher Dentons Canada LLP 2900 Manulife Place 10180 - 101 Street Edmonton, Alberta T5J 3V5 Phone: 780.423.7262 Fax: 780.423.7276 File No.: 131048-86/RCR

DATE ON WHICH ORDER WAS PRONOUNCED: May 16, 2017

LOCATION WHERE ORDER WAS PRONOUNCED: Edmonton, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Madam Justice J.E. Topolniski

UPON THE APPLICATION of Deloitte Restructuring Inc. in its capacity as receiver of the property of Elements West Inc. ("Elements") and Damen Trucking Ltd. ("Damen") (the "Receiver"); AND UPON READING the Receivership Order granted by the Honourable Mr. Justice B.R. Burrows in these proceedings on December 2, 2016; AND UPON READING the Second Report of the Receiver dated May 3, 2017 (the "Second Report"), filed and the Application filed herein and proof of service thereof and the pleadings and proceedings had and taken herein; AND UPON HEARING from counsel for the Receiver and any other interest parties who may be present;

IT IS HEREBY ORDERED THAT:

- 1. The time for service of notice of the amended application for this Order and all materials in support of such notice is deemed good and sufficient upon all interested persons and the time for such service is abridged to the time actually given and all further service is dispensed with.
2. All steps and activities taken by the Receiver, including but not limited to the Receiver's activities as described in the Second Report, are hereby approved.

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

Clerk of the Court

3. The Receiver is hereby authorized and directed to make the following distribution:
  - (a) an interim distribution to pay:
    - (i) the priority claims, plus interest, of Canada Revenue Agency, the Workers' Compensation Board of Alberta and Service Canada with respect to employee claims; and
    - (ii) Royal Bank of Canada ("RBC") in partial payment of the secured claim of RBC with respect to the indebtedness of Elements and Damen to RBC,  
  
pursuant to the proposed distribution scheduled attached as Schedule "B" to the Second Report; and
  - (b) further distributions to RBC in respect of RBC's secured claim as the Receiver deems appropriate in the circumstances and when funds are available, provided that the total distributions made to RBC shall not exceed \$1,971,318.00 without further Order.
4. The Receiver is authorized and empowered to do such things, and execute and deliver such additional, related and ancillary documents and assurances governing or giving effect to the distribution, which, in the Receiver's discretion, are reasonably necessary or advisable to properly give effect to the distribution or to this Order.
5. The distribution shall not be void or voidable at the instance of creditors and claimants and shall not constitute nor shall be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, oppressive conduct, or other reviewable transaction under the *Bankruptcy and Insolvency Act*, or any other applicable federal or provincial legislation.
6. Service of this Order may be effected upon those persons (directly or through legal counsel) who were served with a copy of the Application for this Order by facsimile or electronic mail, and such service shall constitute good and sufficient service. Service is deemed to be effected the next business day following the transmission or delivery of such documents.
7. Service on any other person is hereby dispensed with.
8. The Receiver is at liberty to reapply for further advice, assistance and direction as may be necessary to give full force and effect to the terms of this Order.

"J.E. Topolniski"  
J.C.C.Q.B.A.