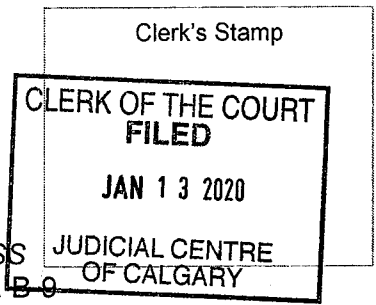


COURT FILE NUMBER 1901-14034  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY



IN THE MATTER OF THE *BUSINESS CORPORATION ACT*, RSA 2000, c. B-9

AND

IN THE MATTER OF THE *JUDICATURE ACT*, RSA 2000, c. J-2

AND

IN THE MATTER OF THE RECEIVERSHIP OF AQUILA FABRICATION AND EQUIPMENT LTD., 965431 ALBERTA LTD., and 1768192 ALBERTA LTD.

APPLICANT KPMG INC. IN ITS CAPACITY AS COURT APPOINTED RECEIVER AND MANAGER OF AQUILA FABRICATION AND EQUIPMENT LTD., 965431 ALBERTA LTD., and 1768192 ALBERTA LTD.

DOCUMENT **APPLICATION**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
MLT AIKINS LLP  
Barristers and Solicitors  
2100, 222 3<sup>rd</sup> Avenue S.W.  
Calgary, Alberta T2P 0B4  
Phone: 403.693.5420  
Fax: 403.508.4349  
Attention: Ryan Zahara  
File: 0026391.00012

**NOTICE TO RESPONDENT(S):**

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

You have the right to state your side of this matter before the Judge.

To do so, you must be in Court when the application is heard as shown below:

Date: January 20, 2020  
Time: 2:00 p.m.  
Where: Court of Queen's Bench of Alberta, Calgary Court Centre,  
Before Whom: The Honourable Justice C.M. Jones, In Chambers  
(Booked on the Commercial List)

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

**Remedy Claimed or Sought:**

1. An abridgement, if necessary, of the time for service of this Application and materials in support thereof, and an Order declaring service of same to be good and sufficient.
2. An Order, substantially in the form attached hereto as Schedule "A":
  - (a) approving the sale of the sale of certain equipment owned by Aquila Fabrication and Equipment Ltd. ("**Aquila**"), 965431 Alberta Ltd. ("**965**"), 1768192 Alberta Ltd. ("**176**"; together with Aquila and 965, the "**Debtors**") to GD Auctions & Appraisals Inc. (the "**Purchaser**") in accordance with the Purchase and Sale Agreement (the "**PSA**") dated January 9, 2020 entered into between KPMG Inc., in its capacity as the Court-appointed receiver ("**KPMG**" or the "**Receiver**") of the Debtors and the Purchaser;
  - (b) authorizing and directing the Receiver to take all steps reasonably required to carry out the terms of the PSA;
  - (c) vesting title to the Purchased Assets (as that term is defined in the PSA) in and to the Purchaser, or its nominee, free and clear of all encumbrances save for the Permitted Encumbrances (as such term is defined in the PSA) upon the fulfillment and waiver of the respective conditions, and closing of the transaction contemplated, in accordance with the terms of the PSA.
3. An Order, substantially in the form attached hereto as Schedule "B":
  - (a) approving the Receiver's Interim Statement of Receipts and Disbursements from October 18, 2019 to December 31, 2019, as set out in the First Report of the Receiver dated January 13, 2020 (the "**First Report**");
  - (b) approving the actions of the Receiver taken in these Receivership proceedings as outlined in the First Report and the Confidential Supplement to the First Report (the "**Confidential Supplement**") dated January 13, 2020; and

- (c) approving the fees and disbursements of the Receiver and its legal counsel for the period of October 18, 2109 to December 31, 2019.
- 4. An Order approving the sealing of the Confidential Supplement until such time as the transaction contemplated by the PSA has closed and substantially in the form attached hereto as Schedule "C".
- 5. An Order granting such other and further relief as the circumstances may require and as this Honourable Court shall deem appropriate.

**Grounds for Making the Application:**

*Listing of the Equipment for Sale*

- 6. The grounds upon which the Applicant relies in making the within Application are as follows:
  - (a) On October 18, 2019, KPMG was appointed the receiver and manager over all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof of the Debtors by Order of the Honourable Justice Romaine of the Alberta Court of Queen's Bench (the "**Receivership Order**");
  - (b) Aquila provided manufacturing and fabrication to the upstream oil and gas industry in Western Canada. 965 is a holding company and the owner of a building and parcel of real property located at 5200 and 5204 Blindman Drive in Red Deer County (the "**Red Deer Building**"). The business and operations of Aquila and 965 are integrated in that the business of Aquila formerly operated out of the Red Deer Building;
  - (c) Aquila's assets comprise a stock of raw materials and work in progress (the "**Inventory**") and fixed assets comprising equipment and vehicles used in the business operations (the "**Equipment**") and accounts receivable;

- (d) To realize on the Equipment located at the Red Deer Building, the Receiver prepared and distributed a request for proposal (the "**RFP**") in order to solicit proposals from auctioneers, third party liquidators and private buyers;
- (e) The RFP included the following information:
  - (i) A high-level overview of the assets included in the process;
  - (ii) An outline of the requirements to be included in the proposal submission;
  - (iii) The proposal submission deadline;
  - (iv) A description of the Receiver's proposal review and selection process;
  - (v) A copy of the Receivership Order;
  - (vi) A Non-Disclosure and Confidentiality Agreement (the "**NDA**"); and
  - (vii) A bid deadline date of November 29, 2019 (the "**Bid Deadline**");
- (f) The RFP was sent directly to twenty-one potential bidders, consisting primarily of liquidators. Concurrently, an advertisement was placed in a local publication referencing the Receiver's Website for the sales process (the "**Sales Process**");
- (g) Potential bidders were required to submit a signed NDA to the Receiver in order to receive a detailed asset listing and obtain access to the data room which contained photos of the Equipment;
- (h) The Receiver received twelve signed NDAs from interested parties and replied to various information requests, as well as coordinating seven site visits by the interested parties;
- (i) On or before the Bid Deadline, the Receiver received seven bids, all which were submitted by liquidation companies;
- (j) Following receipt of bids, the Receiver corresponded with certain parties that submitted bids in order to clarify certain terms of their respective bids;

- (k) Accordingly, the Receiver determined that the bid received from the Purchaser was superior to all other bids received;
- (l) The Receiver has, subject to approval of the Court, accepted the Purchaser's offer and has executed the PSA;
- (m) The Receiver has provided further detailed information on the appraisal value, Sales Process and the PSA in the Confidential Supplement
- (n) The Receiver is of the view that the Purchased Assets have been exposed for sale to the market for a significant amount of time and that the transaction contemplated by the PSA represents the highest realization value to stakeholders which is available in the circumstances.

Sealing of Confidential Supplement

- (o) The Confidential Supplement contains confidential information with respect to the purchase price under the PSA, and the proposed purchase price for other offers made for the Purchased Assets by other interested purchasers, as well as information with respect to the appraisal the Receiver obtained regarding the appraised value of the Purchased Assets. The Confidential Supplement thus contains commercially sensitive information and documentation;
- (p) There will be a negative impact and significant potential prejudice to stakeholders in the event such confidential information and documentation were disclosed to the public and the transaction contemplated by the PSA were to not close and the sales process regarding the sale of the Purchased Assets was resumed;

Approval of Activities and Fees of the Receiver and its Legal Counsel To Date

- (q) All of the actions of the Receiver and its legal counsel in the course of the administration of the receivership of the Debtors are reasonable and appropriate in the circumstances.

- (r) The fees and disbursements that have been incurred by the Receiver and its legal counsel to date in the course of the administration of the receivership of the Debtors are reasonable and appropriate in the circumstances.
- (s) Such further and other grounds as counsel may advise and this Honourable Court may permit.

**Material or Evidence To Be Relied Upon:**

- 7. The First Report of the Receiver dated January 13, 2020;
- 8. The Confidential Supplement to the First Report of the Receiver dated January 13, 2020;
- 9. The Receivership Order;
- 10. All pleadings, affidavits and other materials filed in this action;
- 11. The inherent jurisdiction of this Honourable Court to control its own process; and
- 12. Such further and other material as counsel may advise and this Honourable Court may permit.

**Applicable Rules:**

- 13. Rules 6.47 (a), (d), (e) and (f), 11.27 and 13.5 of the *Alberta Rules of Court*.

**Applicable Acts and Regulations:**

- 14. The *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, as amended;
- 15. The *Judicature Act*, R.S.A. 2000, c. J-2, as amended;
- 16. The *Business Corporations Act*, R.S.A. 2000, c. B-9, as amended; and
- 17. The *Personal Property Security Act*, R.S.A. 2000, c. P-7, as amended.

**How the Application is Proposed to be Heard or Considered:**

- 18. In person before the Honourable Mr. Justice C.M. Jones, in Chambers.

**WARNING TO THE RESPONDENT:**

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 applicant.

## **Schedule "A" – Sale Approval and Vesting Order**



COURT FILE NUMBER

1901-14034

Clerk's Stamp

COURT

COURT OF QUEEN'S BENCH OF  
ALBERTA

JUDICIAL CENTRE

CALGARY

IN THE MATTER OF THE *BUSINESS  
CORPORATION ACT*, RSA 2000, c. B-9

AND

IN THE MATTER OF THE *JUDICATURE  
ACT*, RSA 2000, c. J-2

AND

IN THE MATTER OF THE RECEIVERSHIP  
OF AQUILA FABRICATION AND  
EQUIPMENT LTD., 965431 ALBERTA  
LTD., and 1768192 ALBERTA LTD.

APPLICANT

KPMG INC. IN ITS CAPACITY AS COURT  
APPOINTED RECEIVER AND MANAGER  
OF AQUILA FABRICATION AND  
EQUIPMENT LTD., 965431 ALBERTA LTD.,  
and 1768192 ALBERTA LTD.

DOCUMENT

**SALE APPROVAL AND VESTING ORDER  
(Sale by Receiver)**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS DOCUMENT

MLT AIKINS LLP  
Barristers and Solicitors  
2100, 222 3<sup>rd</sup> Avenue S.W.  
Calgary, Alberta T2P 0B4  
Phone: 403.693.5420  
Fax: 403.508.4349  
Attention: Ryan Zahara  
File: 0026931.00012

---

**DATE ON WHICH ORDER WAS PRONOUNCED: JANUARY 20, 2020**

**LOCATION OF HEARING OR TRIAL: CALGARY, ALBERTA**

**NAME OF JUDGE WHO MADE THIS ORDER: HONOURABLE JUSTICE C.M. JONES**

---

**UPON THE APPLICATION** of KPMG Inc. filed January 13, 2020 (the "**Application**") in its capacity as the Court-appointed receiver (the "**Receiver**") of all of the current and future assets, undertaking, and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of Aquila Fabrication and Equipment Ltd. ("**Aquila**"), 965431 Alberta Ltd. ("**965**"), 1768192 Alberta ("**176**", together with Aquila and 965, the "**Debtors**"), for an Order approving the sale transaction; **AND UPON HAVING READ** the Application, the Receivership Order granted by the Honourable Madam Justice Romaine on October 18, 2019 (the "**Receivership Order**"), the First Report of the Receiver dated January 13, 2020 (the "**First Report**"), the Confidential Supplement to the Receiver's First Report dated January 13, 2020 (the "**Confidential Supplement**"), and the Affidavit of Service of \_\_\_\_\_ sworn January \_\_\_\_, 2020; **AND UPON IT** appearing that all interested and affected parties have been served with notice of the Application; **AND UPON HEARING** the submissions of counsel for the Receiver and all other interested parties present;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

**SERVICE**

1. Service of notice of the 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 the Application, and time for service of the Application is abridged to that actually given.

**APPROVAL OF THE TRANSACTION**

2. The Transaction is hereby approved, and the execution of the Purchase and Sale Agreement (the "**Purchase Agreement**") dated January 9, 2020, entered into by the Receiver and GD Auctions & Appraisals Inc. (the "**Purchaser**") 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 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 Debtors' right, title and interest in and to the Purchased Assets, as described in the Purchase Agreement, 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), the *Land Titles Act* (Alberta), or any other personal property registry system or real property registry system (all of which are collectively referred to as, the "**Encumbrances**", which term shall not include the Permitted Encumbrances as defined and set out in **Schedule "B"** hereto); 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. The Transaction is hereby approved and ratified and it is hereby declared that the Transaction is commercially reasonable.
5. 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.

6. 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, other than the Permitted Encumbrances.
7. 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 of same to the Purchaser (or its nominee).
8. The Purchaser (or its nominee) shall be entitled to 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.
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:
  - (a) the pendency of these proceedings;
  - (b) any bankruptcy order issued pursuant to *the Bankruptcy and Insolvency Act*, R.S.C. 1985, C. B-3 (the "BIA") in respect of the Debtors; 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 BIA 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 Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body in any province of Canada, the Federal Court of Canada, or other court constituted pursuant to the Parliament of Canada or any of its provinces or territories and any federal or state court or administrative body or any other foreign courts to act in aid of and to be complimentary to this Honourable Court in carrying out the terms of this Order.
13. This Order must be served only upon the Purchaser (or its nominee) and 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 same business day as the transmission or delivery of such documents.
14. Service of this Order on any party not attending the Application, other than the Purchaser (or its nominee), is hereby dispensed with.

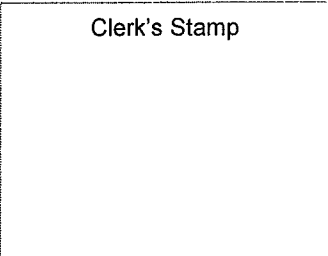
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The Honourable Mr. Justice C.M. Jones,  
Justice of the Court of Queen's Bench of Alberta

**SCHEDULE "A"**

**Form of Receiver's Certificate**

COURT FILE NUMBER 1901-14034  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
IN THE MATTER OF THE *BUSINESS CORPORATION ACT*, RSA 2000, c. B-9



AND

IN THE MATTER OF THE *JUDICATURE ACT*, RSA 2000, c. J-2

AND

IN THE MATTER OF THE RECEIVERSHIP OF AQUILA FABRICATION AND EQUIPMENT LTD. , 965431 ALBERTA LTD., and 1768192 ALBERTA LTD.

APPLICANT KPMG INC. IN ITS CAPACITY AS COURT APPOINTED RECEIVER AND MANAGER OF AQUILA FABRICATION AND EQUIPMENT LTD., 965431 ALBERTA LTD., and 1768192 ALBERTA LTD.

DOCUMENT **RECEIVER'S CERTIFICATE**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
MLT AIKINS LLP  
Barristers and Solicitors  
2100, 222 3<sup>RD</sup> Avenue S.W.  
Calgary, Alberta T2P 0B4  
Phone: 403.693.5420  
Fax: 403.508.4349  
Attention: Ryan Zahara  
File: 0026391.00012

**RECITALS**

- A. Pursuant to an Order of the Honourable Justice Romaine of the Court of Queen's Bench of Alberta (the "**Court**") dated October 18, 2019, KPMG Inc. was appointed as the receiver (the "**Receiver**") of all of the current and future assets, undertakings and

properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of Aquila Fabrication and Equipment Ltd. ("**Aquila**"), 965431 Alberta Ltd. ("**965**"), 1768192 Alberta ("**176**", together with Aquila and 965, the "**Debtors**").

- B. Pursuant to an Order of the Honourable Justice C.M. Jones of the Court dated January 20, 2020 (the "**Sale Approval and Vesting Order**"), the Court approved the Purchase and Sale Agreement dated January 9, 2020 (the "**Purchase Agreement**") between the Receiver and GD Auctions & Appraisals Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser (or its nominee) of the Debtors' right, title and interest in and to the Purchased Assets (as such term is defined in the Sale Approval and Vesting Order), which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser (or its nominee) of a certificate confirming: (i) the payment by the Purchaser (or its nominee) of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee) (as applicable); and (iii) the Transaction (as such term is defined in the Sale Approval and Vesting Order) has been completed to the satisfaction of the Receiver.
- C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Purchase 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 date of closing of the Transaction pursuant to the Purchase Agreement;
2. The conditions to closing as set out in the Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee) (as applicable); and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at \_\_\_\_\_ on the \_\_\_\_ day of \_\_\_\_\_, 2020.

**KPMG Inc., in its capacity as  
Court-appointed Receiver of  
AQUILA FABRICATION AND  
EQUIPMENT LTD., 965431  
ALBERTA LTD., and 1768192  
ALBERTA LTD., and not in its  
personal capacity or corporate  
capacity,**

**Per: \_\_\_\_\_**

**Name:**

**Title:**



**SCHEDULE "B"**

**Schedule "B" – Order Approving Activities and Fees of Receiver**

COURT FILE NUMBER

1901-14034

Clerk's Stamp

COURT

COURT OF QUEEN'S BENCH OF  
ALBERTA

JUDICIAL CENTRE

CALGARY

IN THE MATTER OF THE *BUSINESS  
CORPORATION ACT*, RSA 2000, c. B-9

AND

IN THE MATTER OF THE *JUDICATURE ACT*,  
RSA 2000, c. J-2

AND

IN THE MATTER OF THE RECEIVERSHIP OF  
AQUILA FABRICATION AND EQUIPMENT  
LTD., 965431 ALBERTA LTD., and 1768192  
ALBERTA LTD.

APPLICANT

KPMG INC. IN ITS CAPACITY AS COURT  
APPOINTED RECEIVER AND MANAGER OF  
AQUILA FABRICATION AND EQUIPMENT  
LTD., 965431 ALBERTA LTD., and 1768192  
ALBERTA LTD.

DOCUMENT

**ORDER FOR APPROVAL OF RECEIVER'S  
ACTIVITIES AND FEES**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS DOCUMENT

MLT AIKINS LLP  
Barristers and Solicitors  
2100, 222 3<sup>RD</sup> Avenue S.W.  
Calgary, Alberta T2P 0B4  
Phone: 403.693.5420  
Fax: 403.508.4349  
Attention: Ryan Zahara  
File: 0026391.00012

---

**DATE ON WHICH ORDER WAS PRONOUNCED: JANUARY 20, 2020**

**LOCATION OF HEARING OR TRIAL: CALGARY, ALBERTA**

**NAME OF JUDGE WHO MADE THIS ORDER: HONOURABLE JUSTICE C.M. JONES**

---

**UPON THE APPLICATION** of KPMG Inc. filed January 13, 2020 (the "**Application**") in its capacity as the Court-appointed receiver (the "**Receiver**") of all of the current and future assets, undertaking, and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of Aquila Fabrication and Equipment Ltd. ("**Aquila**"), 965431 Alberta Ltd. ("**965**"), 1768192 Alberta ("**176**", together with Aquila and 965, the "**Debtors**"), for an Order approving the sale transaction; **AND UPON HAVING READ** the Application, the Receivership Order granted by the Honourable Madam Justice Romaine on October 18, 2019 (the "**Receivership Order**"), the First Report of the Receiver dated January 13, 2020 (the "**First Report**"), the Confidential Supplement to the Receiver's First Report dated January 13, 2020 (the "**Confidential Supplement**"), and the Affidavit of Service of \_\_\_\_\_ sworn January \_\_, 2020; **AND UPON IT** appearing that all interested and affected parties have been served with notice of the Application; **AND UPON HEARING** the submissions of counsel for the Receiver and all other interested parties present;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

**SERVICE**

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

**APPROVAL OF THE ACTIVITIES AND FEES OF THE RECEIVER AND LEGAL COUNSEL**

2. The activities and fees of the Receiver and its legal counsel as set out in the Receiver's First Report and the Confidential Supplement, are hereby ratified and approved.
3. 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 day of the transmission or delivery of such documents.

4. Service of this Order on any party not attending the Application is hereby dispensed with.

---

The Honourable Mr. Justice C.M. Jones  
Justice of the Court of Queen's Bench of Alberta

**Schedule "C" – Sealing Order**

COURT FILE NUMBER

1901-14034

Clerk's Stamp

COURT

COURT OF QUEEN'S BENCH OF  
ALBERTA

JUDICIAL CENTRE

CALGARY

IN THE MATTER OF THE *BUSINESS  
CORPORATION ACT*, RSA 2000, c. B-9

AND

IN THE MATTER OF THE *JUDICATURE  
ACT*, RSA 2000, c. J-2

AND

IN THE MATTER OF THE RECEIVERSHIP  
OF AQUILA FABRICATION AND  
EQUIPMENT LTD. , 965431 ALBERTA LTD.,  
and 1768192 ALBERTA LTD.

APPLICANT

KPMG INC. IN ITS CAPACITY AS COURT  
APPOINTED RECEIVER AND MANAGER  
OF AQUILA FABRICATION AND  
EQUIPMENT LTD., 965431 ALBERTA LTD.,  
and 1768192 ALBERTA LTD.

**DOCUMENT**

**SEALING ORDER**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

MLT AIKINS LLP  
Barristers and Solicitors  
2100, 222 3rd Avenue S.W.  
Calgary, Alberta T2P 0B4  
Phone: 403.693.5420  
Fax: 403.508.4349  
Attention: Ryan Zahara  
File: 0026931.00012

---

**DATE ON WHICH THIS ORDER WAS PRONOUNCED: JANUARY 20, 2020**

**LOCATION AT WHICH ORDER WAS MADE: CALGARY, ALBERTA**

**NAME OF THE JUDGE WHO MADE THIS ORDER: HONOURABLE JUSTICE C.M.  
JONES**

---

**UPON THE APPLICATION** of KPMG Inc. filed January 13, 2020 (the "**Application**") in its capacity as the Court-appointed receiver (the "**Receiver**") of all of the current and future assets, undertaking, and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of Aquila Fabrication and Equipment Ltd. ("**Aquila**"), 965431 Alberta Ltd. ("**965**"), 1768192 Alberta ("**176**", together with Aquila and 965, the "**Debtors**"), for an Order approving the sale transaction; **AND UPON HAVING READ** the Application, the Receivership Order granted by the Honourable Madam Justice Romaine on October 18, 2019 (the "**Receivership Order**"), the First Report of the Receiver dated January 13, 2020 (the "**First Report**"), the Confidential Supplement to the Receiver's First Report dated January 13, 2020 (the "**Confidential Supplement**"), and the Affidavit of Service of \_\_\_\_\_ sworn January \_\_\_\_, 2020; **AND UPON IT** appearing that all interested and affected parties have been served with notice of the Application; **AND UPON HEARING** the submissions of counsel for the Receiver and all other interested parties present;

**IT IS HEREBY ORDERED THAT:**

The clerk of the Court is hereby directed to seal the Confidential Supplement on the Court file until the earlier of:

- i) An Order of this Court directs that the Confidential Supplement be filed in this Action, and
- ii) A Sale of the Purchased Assets by the Receiver has closed, and the Receiver files a receiver's certificate with the Clerk of the Court confirming a sale of the Purchased Assets has closed. The Clerk of the Court is hereby directed to seal the Confidential Supplement in an envelope setting out the style of cause in the within proceedings and labelled:

**THIS ENVELOPE CONTAINS A CONFIDENTIAL DOCUMENT. THIS CONFIDENTIAL DOCUMENT IS SEALED ON COURT FILE ON 1901-14034 PURSUANT TO THE ORDER ISSUED BY JUDSTICE C.M. JONES ON JANUARY 20, 2020. THIS CONFIDENTIAL DOCUMENT IS NOT TO BE ACCESSED BY ANY PERSON UNTIL EARLIER OF AN ORDER OF THE COURT DIRECTING THAT THIS CONFIDENTIAL DOCUMENT BE FILED AND THE FILING OF A RECEIVER'S CERTIFICATE FROM KPMG INC., IN ITS CAPACITY AS**



**RECEIVER OF THE DEBTORS, CONFIRMING THAT THE CONFIDENTIAL DOCUMENT MAY  
BE FILED.**

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**THE HONOURABLE MR. JUSTICE C.M. JONES  
JUSTICE OF THE COURT OF QUEEN'S BENCH  
OF ALBERTA**