

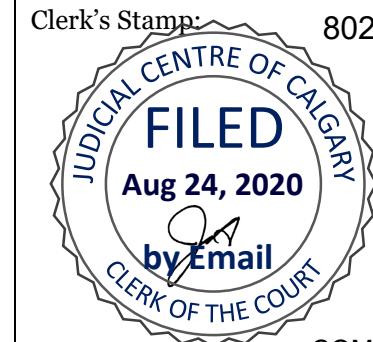
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COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY



Aug 28 2020
Justice Romaine

PLAINTIFF THIRD EYE CAPITAL CORPORATION in its capacity as administrative agent under that certain Credit Agreement dated November 9, 2018

DEFENDANTS ACCEL CANADA RESOURCES LIMITED and MICHAEL WILLIAMS

DOCUMENT **SUPPLEMENT TO THE FIRST REPORT TO THE COURT SUBMITTED BY PRICEWATERHOUSECOOPERS INC. LIT IN ITS CAPACITY AS RECEIVER DATED AUGUST 24, 2020**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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Table of Contents

<i>1. Purpose of this Supplement</i>	3
<i>2. Revised Sales Process and Stalking Horse APA</i>	3
<i>3. Security Review</i>	4

Appendix A - Blackline of Revised Sales Process

Appendix B - Blackline of Revised Stalking Horse APA

Appendix C - Executed Stalking Horse APA

1. *Purpose of this Supplement*

- 1.1 The purpose of this supplement to the Receiver's First Report dated August 19, 2020 ("First Report") is to provide:
 - 1.1.1 a revised version of the proposed Sales Process;
 - 1.1.2 a revised version of the Stalking Horse APA; and
 - 1.1.3 confirmation of the findings of the security review conducted by the Receiver's legal counsel, BLG.
- 1.2 Capitalized terms not otherwise defined herein are as defined in the First Report.

2. *Revised Sales Process and Stalking Horse APA*

- 2.1 The Sales Process and Stalking Horse APA appended to the First Report have each been amended. The Sales Process was amended to remove the requirement for the Stalking Horse Bidder to post a deposit. This change has been made to reflect the terms of the Stalking Horse APA, which did not contemplate payment of a deposit by the Stalking Horse Bidder as the Stalking Horse bid is primarily a credit bid.
- 2.2 Further, the Stalking Horse APA has also been amended by consolidating the definition of Crown Surface Rights and Freehold Surface rights into one concept of "Surface Rights" and by including the completed schedules to the agreement. Additionally, the Receiver and the Stalking Horse Bidder have since executed the Stalking Horse APA.
- 2.3 Attached hereto as Appendices "A" and "B" are blackline versions of the revised proposed Sales Process and the revised Stalking Horse APA, excluding the completed schedules.
- 2.4 Further, attached hereto as Appendix "C" is the fully executed copy of the Stalking Horse APA, which does include the completed schedules.

3. Security Review

- 3.1 The Receiver has obtained an independent legal opinion from BLG regarding the validity and enforceability of TEC's security in Alberta.
- 3.2 Subject to certain qualifications and limitations, it is BLG's opinion that TEC holds security over all present and after acquired personal property of ACRL located in the province of Alberta, perfected by registration at the PPR and that such security is valid and enforceable against a trustee in bankruptcy.

All of which is respectfully submitted on this 24th day of August, 2020.

PricewaterhouseCoopers Inc., LIT
In its Capacity as Court Appointed Receiver of Accel Canada Resources Limited



Paul Darby
Senior Vice President



Rick Osuna
Senior Vice President

Appendix A

Blackline of Revised Sales Process

**Procedure for the Sales Solicitation Process of
Accel Canada Resources Limited**

1. On July 15, 2020, a receivership order (the “**Receivership Order**”) was made with respect to Accel Canada Resources Limited (“**ACRL**”) pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the “**BIA**”) and the *Judicature Act*, RSA 2000, c J-2, by the Alberta Court of Queen’s Bench (the “**Court**”). Among other things, the Receivership Order granted a stay of proceedings in respect of ACRL and appointed PricewaterhouseCoopers Inc., LIT as receiver (the “**Receiver**”) of ACRL and of all of ACRL’s current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the “**Property**”).
2. Pursuant to the Receivership Order, the Receiver is authorized to market any or all of ACRL’s Property, including advertising and soliciting offers in respect of the Property, or any part or parts thereof, and to negotiate such terms and conditions of sale as the Receiver in its discretion may deem appropriate.
3. On August 28, 2020, the Receiver obtained an order from the Court (the “**Sales Process Order**”), which, among other things, approved the procedures (the “**Stalking Horse Procedure**”) for the Receiver’s sales solicitation process respecting ACRL’s Property (the “**Sales Process**”).
4. Set forth below is the procedure to be followed with respect to the Sales Process to be undertaken to seek a Successful Bid (as defined below), and if there is a Successful Bid, to complete the transactions contemplated by the Successful Bid.

Defined Terms

5. All monetary references shall be in Canadian dollars, unless otherwise stated.
6. In this Stalking Horse Procedure:

“**ACRL Credit Agreement**” means the credit agreement between ACRL, as borrower and TEC, as administrative agent and the lenders from time to time party thereto, dated November 9, 2018;

“**Affiliates**” has the meaning ascribed thereto in the Stalking Horse APA;

“**Assets**” means the Assets as defined in the Stalking Horse APA;

“**Break Fee**” means the amount of \$1,000,000;

“**Business Day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the City of Calgary;

“**Debt**” means the debt owed by ARCL to TEC, in its capacity as administrative agent for various lenders from time to time, pursuant to the ACRL Credit Agreement, including all principal and all interest and costs totaling \$28,916,767.12 (as at July 31, 2020), with

interest and costs accruing thereon as of Closing (as that term is defined in the Stalking Horse APA);

"Priority Charges" means all claims against ACRL or the Assets that rank in priority to the TEC Security, including all outstanding non-linear property taxes owing in respect of the Assets contained in the Stalking Horse APA, but which do not include the Receivership Obligations;

"Receivership Charges" means the charges created by the Receivership Order that rank in priority to the TEC Security, totaling a maximum aggregate value of \$350,000, comprised of:

- (a) the Receiver's Charge up to a maximum aggregate value of \$250,000; and
- (b) the Receiver's Borrowings Charge up to a maximum aggregate value of \$100,000;

"Receivership Obligations" means the indebtedness, liabilities and obligations secured by the Receivership Charges;

"Stalking Horse APA" means the Asset Purchase and Sale Agreement between the Receiver and the Stalking Horse Bidder, dated August 19, 2020;

"Stalking Horse Bidder" means Canadian Future Fuels Corporation, a special purpose vehicle controlled by funds managed, advised or directed by TEC or its Affiliates;

"Superior Offer" means a credible, reasonably certain and financially viable third party offer for the acquisition of the Assets contained in the Stalking Horse APA, the terms of which offer are no less favourable and no more burdensome or conditional than the terms contained in the Stalking Horse APA, and which at a minimum includes:

- i) a payment in cash in excess of \$500,000 of the aggregate of the total consideration payable pursuant to the Stalking Horse APA,
- ii) a payment in cash in the amount necessary to fully pay the Break Fee and the Receivership Obligations, as at the closing of such transaction, and
- iii) a payment in cash or an assumption of liabilities to satisfy any and all Priority Charges, as at the closing of such transaction;

"TEC" means Third Eye Capital Corporation, and in the appropriate context, any applicable affiliate of, or assignee of, or lenders arranged by, TEC; and

"TEC Security" means the security which secures the Debt.

Stalking Horse APA

7. This Sales Process is intended to solicit interest in a sale of the Assets of ACRL (the "Opportunity").
8. The Receiver has entered into the Stalking Horse APA with the Stalking Horse Bidder, pursuant to which, if there is no Successful Bid (as defined below) from a party other than the Stalking Horse Bidder, the Stalking Horse Bidder will acquire the Assets as more particularly detailed in the Stalking Horse APA. The Stalking Horse APA is attached hereto as **Schedule "C"**.
9. The Stalking Horse APA shall constitute a Qualified Bid for all purposes and at all times under this Sales Process.
10. Notwithstanding the execution of the Stalking Horse APA, all interested parties are encouraged to submit bids respecting the Opportunity pursuant to this Sales Process.
11. Certain bid protections, such as the Break Fee and expense reimbursement, have been approved in respect of the Stalking Horse APA, subject to the conditions set forth therein, by the Court pursuant to the Sales Process Order. No other bidder may request or receive any form of bid protection as part of any offer made pursuant to this Sales Process.

Stalking Horse Procedure

12. The Sales Process set forth herein describes, among other things, the Assets available for sale, the manner in which prospective bidders may gain access to or continue to have access to due diligence materials concerning the Assets, the manner in which bidders and bids become Qualified Bidders and Qualified Bids (each as defined below), respectively, the receipt and negotiation of bids received, the ultimate selection of a Successful Bidder (as defined below) and the Court's approval thereof. The Receiver shall administer the Sales Process in accordance with this Stalking Horse Procedure. In the event that there is disagreement as to the interpretation or application of the Sales Process, the Court will have jurisdiction to hear and resolve such dispute.
13. The Receiver will use its reasonable efforts to complete the Sales Process in accordance with the timelines as set out in **Schedule "B"** hereto. The Receiver shall be permitted to make such adjustments to the timeline that it determines are reasonably necessary.

"As Is, Where Is"

14. The sale of the Assets will be on an "as is, where is" basis and without surviving representations, warranties, covenants or indemnities of any kind, nature, or description by the Receiver or any of its agents, except to the extent set forth in the relevant final sale agreement with a Successful Bidder. The representations, warranties, covenants or indemnities shall not be materially more favourable than those set out in the Stalking Horse APA, except to the extent additional tangible monetary value of an equivalent amount is provided for such representations, warranties, covenants or indemnities.

Free of Any and All Claims and Interests

15. In the event of a sale, all of the rights, title and interests of ACRL in and to the Assets will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options and interests thereon and there against (collectively the "**Claims and Interests**"), such Claims and Interests to attach to the net proceeds of the sale of such Assets (without prejudice to any claims or causes of action regarding the priority, validity or enforceability thereof), pursuant to an approval and vesting order made by the Court, upon the application of the Receiver, except to the extent otherwise set forth in the relevant sale agreement with a Successful Bidder. The vesting out of Claims and Interests by a Successful Bidder other than the Stalking Horse Bidder shall not be materially more favourable to the Successful Bidder than those set out in the Stalking Horse APA, except to the extent additional tangible monetary value of an equivalent amount is provided for the vesting out of such Claims and Interests.

Publication of Notice and Teaser

16. As soon as reasonably practicable after the granting of the Sales Process Order by the Court,
 - a. the Receiver shall cause a notice of the Sales Process and such other relevant information which the Receiver considers appropriate, to be published in the *Daily Oil Bulletin* and such other publications as the Receiver may consider appropriate; and
 - b. the Receiver shall issue a press release setting out the notice and such other relevant information regarding the Opportunity with Canada Newswire, designating dissemination in Canada and shall invite bids from interested parties.
17. A non-confidential teaser letter prepared by the Receiver (the "**Teaser**") describing the Opportunity and the Sales Process will be made available by the Receiver to prospective purchasers and will be posted on the Receiver's website as soon as practicable following the issuance of the Sales Process Order.
18. A Confidential Information Memorandum ("CIM") describing the Opportunity to acquire the Assets will be made available by the Receiver to prospective purchasers that have executed a non-disclosure agreement with the Receiver, in a form satisfactory to the Receiver, and as more particularly set-forth below.
19. The Receiver will also populate an electronic data room (the "**VDR**") with detailed listings and other information required for prospective purchasers to perform due diligence on the Assets.

Participation Requirements

20. In order to participate in Sales Process, each person interested in bidding on the Assets (a "**Potential Bidder**") must deliver to the Receiver at the address specified in **Schedule "A"** hereto (the "**Notice Schedule**") (including by email or fax transmission), and prior

to the distribution of any confidential information by the Receiver to a Potential Bidder (including the CIM and access to the VDR), an executed non-disclosure agreement in form and substance satisfactory to the Receiver, which shall inure to the benefit of any Successful Bidder that closes a transaction contemplated by the Successful Bid (as defined below), and a letter setting forth the identity of the Potential Bidder, the contact information for such Potential Bidder and full disclosure of the direct and indirect principals of the Potential Bidder (a "**Letter of Identification**").

21. A Potential Bidder that has executed a non-disclosure agreement and provided a Letter of Identification, as described above and who the Receiver determines has a reasonable prospect of completing a transaction contemplated herein, will be deemed a "**Qualified Bidder**" and will be promptly notified of such classification by the Receiver. For the avoidance of doubt, the Stalking Horse Bidder is a Qualified Bidder.

Due Diligence

22. The Receiver shall provide any person deemed to be a Qualified Bidder with a copy of the CIM and access to the VDR and the Receiver shall provide to Qualified Bidders further access to such reasonably required due diligence materials and information relating to the Assets as the Receiver deems appropriate, including virtual presentations by the Receiver and access to further information in the VDR. The Receiver is not obligated to furnish any information relating to the Assets to any person other than to Qualified Bidders.
23. The Receiver and their respective advisors, make no representation or warranty as to the information contained in the CIM, the VDR, or other information to be provided through the due diligence process or otherwise, except to the extent otherwise contemplated under any definitive sale agreement with a Successful Bidder executed and delivered by the Receiver and approved by the Court.

Seeking Qualified Bids from Qualified Bidders

24. A Qualified Bidder that desires to make a bid for the Assets must deliver written copies of a final, binding proposal (the "**Final Bid**") in the form of a fully executed purchase and sale agreement to the Receiver at the address specified in **Schedule "A"** hereto (including by email or fax transmission) so as to be received by it not later than 12:00 p.m. Calgary time on September 25, 2020, or such other date or time as may be agreed by the Receiver (the "**Final Bid Deadline**").

Qualified Bids

25. A Final Bid will be considered a Qualified Bid only if (i) it is submitted by a Qualified Bidder and the Final Bid complies with, among other things, the following (a "**Qualified Bid**"):
 - (a) it contains

- (i) a duly executed purchase and sale agreement based on the form of template purchase and sale agreement posted to the VDR (the “**Template PSA**”); and
- (ii) a blackline of the executed purchase and sale agreement to the Stalking Horse APA;

(b) it includes a letter stating that the Final Bid is irrevocable until there is a Selected Superior Offer (as defined below), provided that if such Qualified Bidder is selected as the Successful Bidder, its Final Bid shall remain an irrevocable offer until the earlier of (i) the completion of the sale to the Successful Bidder and (ii) the outside date stipulated in the Successful Bid;

(c) it provides written evidence of a firm, irrevocable financial commitment for all required funding or financing of the amounts set out in subsection 25(j);

(d) it does not include any request for or entitlement to any break fee, expense reimbursement or similar type of payment;

(e) it is accompanied by a refundable deposit (the "**Deposit**") in the form of a wire transfer (to a bank account specified by the Receiver), or such other form of payment acceptable to the Receiver, payable to the order of the Receiver, in an amount equal to 10% of the total consideration in the Qualified Bid to be held and dealt with in accordance with this Stalking Horse Procedure;

(f) it is not conditional upon:

- (i) the outcome of unperformed due diligence by the Qualified Bidder, and/or
- (ii) obtaining financing;

(g) it contains evidence of authorization and approval from the Qualified Bidder's board of directors (or comparable governing body);

(h) it contains an agreement that the Qualified Bidder submitting such bid, if not chosen as the Successful Bidder, shall serve, without modification to such bid, as a Backup Bidder (as defined below), in the event the Successful Bidder fails to close, provided, however, that the Stalking Horse Bidder shall not be required to serve as Backup Bidder, except to the extent that the Stalking Horse Bidder elects to submit a Minimum Incremental Overbid (as defined below) in the Auction;

(i) the aggregate consideration to be paid by the Qualified Bidder satisfies the requirements in (i) to (iii) of the definition of Superior Offer in Section 6 above;

(j) the bid shall contain:

- a. immediately available funds which in the aggregate equal the amounts set out in (i) and (ii) of the definition of Superior Offer in Section 6 above, and the amount of the Debt, which amounts shall be calculated as of the date of such closing(s), and
- b. immediately available funds or an assumption of liabilities in an amount sufficient to indefeasibly settle in full all of the associated Priority Charges; and

(k) it is received by the Final Bid Deadline.

26. The Receiver may waive compliance with any one or more of the requirements specified herein and deem any non-compliant bid to be a Qualified Bid.

27. The Receiver may, following the receipt of any bid, seek clarification with respect to any of the terms or conditions of such bid and/or request and negotiate one or more amendments to such bid prior to determining if the bid should be considered a Qualified Bid.

28. The Receiver shall notify each Qualified Bidder in writing as to whether its bid constitutes a Qualified Bid within five Business Days of the Final Bid Deadline, or at such later time as the Receiver deems appropriate.

Stalking Horse APA

~~29. Pursuant to the Stalking Horse APA, the Stalking Horse Bidder shall provide to the Receiver a cash deposit equivalent to ten percent (10%) of the cash portion of the consideration payable thereunder, within five (5) Business Days of the approval of this Sales Process through the Sales Process Order, to be treated in accordance with the Stalking Horse APA.~~

29. ~~30.~~ The purchase price for the Assets identified in the Stalking Horse APA includes: (i) a non-cash credit bid in the amount of the Debt, as specified in the Stalking Horse APA resulting in that portion of the Debt being satisfied in exchange for the acquisition of the Assets by the Stalking Horse Bidder; and (ii) consideration in an amount sufficient to (a) pay in full in cash on closing, the Receivership Obligations; and (b) pay in full in cash on closing, or through the assumption of liabilities, all Priority Charges.

No Superior Offers

30. ~~31.~~ If the Receiver determines that none of the Qualified Bids received constitute a Superior Offer, the Receiver shall promptly apply to the Court for an order approving the Stalking Horse APA and vesting title to the Assets subject to the Stalking Horse APA in the name of the Stalking Horse Bidder.

If a Superior Offer is Received

31. ~~32.~~ If the Receiver determines that one or more of the Qualified Bids constitutes a Superior Offer, and that the Qualified Bidder making each such Qualified Bid (a) has a

bona fide interest in completing an acquisition of the Assets; and (b) has the financial capability (based on availability of financing, experience, and other considerations) to consummate such a transaction based on the financial information provided, the Receiver shall provide the Qualified Bidder(s) making Superior Offers and the Stalking Horse Bidder the opportunity to make further bids through the auction process set out below (the "**Auction**") *provided, however,* that the Receiver may, in its reasonable business judgment, limit the number of Qualified Bidders participating in the Auction.

32. 33. The Receiver will provide unredacted copies of the Qualified Bid which the Receiver believes is the highest or otherwise best Qualified Bid (the "**Starting Bid**") to the Stalking Horse Bidder and to all Qualified Bidders that have made a Superior Offer, prior to 5:00 p.m. (MST) on October 2, 2020. Prior to 12:00 p.m. (MST) on October 6, 2020, each Qualified Bidder that has made a Superior Offer and the Stalking Horse Bidder, must inform the Receiver whether it intends to participate in the Auction (the parties who so inform the Receiver that they intend to participate are hereinafter referred to as the "**Auction Bidder(s)**").

Auction

33. 34. In the event that the Auction is required in accordance with the terms of this Sales Process, it shall be conducted in accordance with the procedures set forth in this paragraph:

- a. The Auction shall commence at 10:00 a.m. (Calgary time) on October 9, 2020, at the Calgary offices of Borden Ladner Gervais LLP, being 1900 520-3rd Avenue SW, Calgary Alberta, or such other place and time as determined by the Receiver and that is timely communicated to all entities entitled to attend at the Auction, and continue thereafter until completed, subject to such adjournments as the Receiver may consider appropriate.
- b. Notwithstanding the foregoing, if circumstances do not permit the Auction to be held in person, the Receiver shall work in good faith with the parties entitled to attend the Auction to arrange for the Auction to be held via videoconference or teleconference, or such other reasonable means as the Receiver deems appropriate.
- c. The Receiver reserves the right to cancel or postpone the Auction.
- d. Except as otherwise set forth herein, the Receiver may waive and/or employ and announce at the Auction additional rules that are reasonable under the circumstances for conducting the Auction, provided that such rules are:
 - i. not inconsistent with the Receivership Order, the Sales Process, the BIA, or any other order of the Court entered in connection with ACRL's receivership proceedings;
 - ii. disclosed to each Auction Bidder; and

- iii. designed, in the Receiver's business judgment, to result in the highest and otherwise best offer.
- e. Except as otherwise permitted in the Receiver's discretion, only the Receiver and the Auction Bidders, and in each case their respective professional advisors, shall be entitled to attend the Auction. All Auction Bidders must have at least one individual representative with authority to bind such Auction Bidder present at the Auction.
- f. The Receiver shall arrange for the actual bidding at the Auction to be transcribed or recorded. Each Auction Bidder participating in the Auction shall designate a single individual to be its spokesperson during the Auction.
- g. Each Auction Bidder must confirm on the record, at the commencement of the Auction and again at the conclusion of the Auction, that it has not engaged in any collusion with any other person regarding the Sales Process, and more specifically, with respect to the bidding or any sale, that has not been disclosed to all other Auction Bidders.
- h. Only the Auction Bidders will be entitled to make any Subsequent Bids (as defined below) at the Auction; provided, however, that in the event that any Qualified Bidder elects not to attend and/or participate in the Auction, such Qualified Bidder's Qualified Bid, shall nevertheless remain fully enforceable against such Qualified Bidder if it is selected as the Winning Bid (as defined below).
- i. All Subsequent Bids presented during the Auction shall be made and received in one room on an open basis. All Auction Bidders will be entitled to be present for all Subsequent Bids at the Auction with the understanding that the true identity of each Auction Bidder at the Auction will be fully disclosed to all other Auction Bidders at the Auction and that all material terms of each Subsequent Bid will be fully disclosed to all other Auction Bidders throughout the entire Auction.
- j. Bidding at the Auction will begin with the Starting Bid and continue, in one or more rounds of bidding, so long as during each round at least one subsequent bid is submitted by an Auction Bidder (a "**Subsequent Bid**") that the Receiver determines is (A) for the first round, a higher or otherwise better offer than the Starting Bid, and (B) for subsequent rounds, a higher or otherwise better offer than the Leading Bid (as defined below); in each case by at least the Minimum Incremental Overbid (as defined below).
- k. Each bid at the Auction shall provide cash value of at least \$250,000 (the "**Minimum Incremental Overbid**") over the Starting Bid or the Leading Bid, as the case may be.
- l. After the first round of bidding and between each subsequent round of bidding, the Receiver shall announce the bid (including the value and material terms

thereof) that it believes to be the highest or otherwise best offer (the "**Leading Bid**"). A round of bidding will conclude after each Auction Bidder has had the opportunity to submit a Subsequent Bid with full knowledge of the Leading Bid in that round.

- m. The Stalking Horse Bidder shall be permitted, in its sole discretion, to submit Subsequent Bids, provided however, that such Subsequent Bids are made in accordance with these Auction rules.
- n. To the extent not previously provided (which shall be determined by the Receiver), an Auction Bidder submitting a Subsequent Bid must submit, at the Receiver's discretion, as part of its Subsequent Bid, written evidence (in the form of financial disclosure or credit-quality support information reasonably acceptable to the Receiver), demonstrating such Auction Bidder's financial wherewithal and ability to close the transaction proposed by the Subsequent Bid. If the Stalking Horse Bidder submits a Subsequent Bid, this paragraph shall only apply to the Stalking Horse Bidder if the cash portion of the Purchase Price in the Stalking Horse Bidder's Subsequent Bid is in excess of the cash portion of the Purchase Price in the Stalking Horse APA.
- o. The Receiver reserves the right to make one or more adjournments in the Auction of not more than 24 hours each, to among other things (i) facilitate discussions between the Receiver and the Auction Bidders; (ii) allow the individual Auction Bidders to consider how they wish to proceed; (iii) consider and determine the current highest and best offer at any given time in the Auction; and (iv) give Auction Bidders the opportunity to provide the Receiver with such additional evidence as the Receiver, in its reasonable business judgment, may require that that Auction Bidder (including, as may be applicable, the Stalking Horse Bidder) has sufficient internal resources, or has received sufficient non-contingent debt and/or equity funding commitments, to consummate the proposed transaction at the prevailing Leading Bid amount.
- p. If, in any round of bidding, no new Subsequent Bid is made, the Auction shall be closed.
- q. The Auction shall be closed within 5 Business Days of the start of the Auction unless extended by the Receiver.
- r. No bids (from Qualified Bidders or otherwise) shall be considered after the conclusion of the Auction.

34. 35. At the end of the Auction, the Receiver shall select the winning bid (the "**Winning Bid**"). Once a definitive agreement has been negotiated and settled in respect of the Winning Bid (the "**Selected Superior Offer**") in accordance with the provisions hereof, the Selected Superior Offer shall be the "**Successful Bid**" hereunder and the person who made the Selected Superior Offer shall be the "**Successful Bidder**" hereunder. If the

Successful Bidder is a party other than the Stalking Horse Bidder, the Receiver shall pay the Stalking Horse Bidder the Break Fee from the proceeds of the Successful Bid.

35. 36. Notwithstanding anything in this Sales Process to the contrary, if an Auction is conducted, the Qualified Bidder with the next highest or otherwise best Qualified Bid at the Auction, as determined by the Receiver, will be designated as the backup bidder (the “**Backup Bidder**”); provided that the Stalking Horse Bidder shall not be a Backup Bidder, unless it elects to provide a Minimum Incremental Overbid in the Auction. The Backup Bidder shall be required to keep its initial Qualified Bid, or if the Backup Bidder submitted one or more Minimum Incremental Overbids at the Auction, the Backup Bidder’s final Minimum Incremental Overbid (the “**Backup Bid**”), open until the earlier of: i) two Business Days after the date of closing of the Successful Bid, and ii) the Outside Date.

Approval Motion

36. 37. The Receiver shall apply to the Court (the “**Approval Motion**”) for an order (the “**Sale Approval and Vesting Order**”) approving the Successful Bid, and/or the Backup Bid (if applicable), and authorizing the Receiver to enter into any and all necessary agreements with respect to the Successful Bidder and/or the Backup Bidder, as the case may be, as well as an order vesting title to the Assets subject to such bid in the name of the Successful Bidder and/or the Backup Bidder as the case may be.

37. 38. The Approval Motion will be held on a date to be scheduled by the Court upon application by the Receiver. The Approval Motion may be adjourned or rescheduled by the Receiver without further notice by an announcement of the adjourned date at the Approval Motion or in a notice to the Service List prior to the Approval Motion.

38. 39. All Qualified Bids and Subsequent Bids (other than the Successful Bid and/or the Backup Bid, as the case may be) shall be deemed rejected on and as of the date and granting of the Sale Approval and Vesting Order by the Court, but not before, and shall remain open for acceptance until that time.

Deposits

39. 40. All Deposits shall be retained by the Receiver and invested in a non-interest bearing trust account. If there is a Successful Bid, the Deposit (plus accrued interest) paid by the Successful Bidder whose bid is approved at the Approval Motion, shall be applied to the purchase price to be paid by the Successful Bidder upon closing of the approved transaction and will be non-refundable. The Deposits of Qualified Bidders not selected as either a Successful Bidder shall be returned to such bidders within five (5) Business Days of the date upon which the Sale Approval and Vesting Order is granted by the Court. If there is no Successful Bid, all Deposits shall be returned to the bidders within five (5) Business Days of the date upon which this Sales Process is terminated in accordance with these procedures.

Approvals

40. ~~41.~~ For greater certainty, the approvals required pursuant to the terms hereof are in addition to, and not in substitution for, any other approvals required by the applicable law in order to implement a Successful Bid.

Confidentiality

41. ~~42.~~ Other than as shall be required in connection with any Auction or Approval Motion, the Receiver will not share: i) the identity of any Potential Bidder or Qualified Bidder (other than the Stalking Horse Bidder), or ii) the terms of any bid or Qualified Bid (other than the Stalking Horse APA), with any other bidder (including, without limitation, the Stalking Horse Bidder) without the express written consent of such party (including by way of e-mail).

Cost of Participation

42. ~~43.~~ Participants in the Sales Process are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any bid, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a transaction.

Further Orders

43. ~~44.~~ At any time during the Sales Process, the Receiver may apply to the Court for advice and directions with respect to any aspect of this Sales Process or the discharge of their respective powers and duties hereunder.

Amendments

44. ~~45.~~ This Sales Process shall be interpreted so as to comply and be consistent with any applicable laws, regulations or public health directives related to the COVID-19 pandemic, and may be amended at any time by the Receiver to the extent necessary or advisable to comply with same.

45. ~~46.~~ The Receiver shall have the right to modify the Sales Process and the deadlines set out herein if, in its reasonable business judgment, such modification will enhance the process or better achieve the objectives of the Sales Process.

SCHEDULE "A"

NOTICE

TO THE RECEIVER:

PricewaterhouseCoopers Inc., LIT
Suite 3100, 111-5th Avenue SW
Calgary, AB T2P 5L3
Attention: Paul Darby
Fax: (403) 605-3744
Email: paul.j.darby@pwc.com

SCHEDULE "B"

TIME LINE

Event	Date
Publication of Opportunity and Sales Process and posting on Receiver's Website	As soon as practical following the granting of the Sales Process Order
Distribute Teaser to Potential Bidders	As soon as practical following the granting of the Sales Process Order
Prepare CIM and VDR for Potential Bidders	As soon as practical following the granting of the Sales Process Order
FINAL BID DEADLINE	September 25, 2020
Notification sent to Qualified Bidders if they submitted a Qualified Bid	5 Business Days Following the Final Bid Deadline
Approval Motion of Stalking Horse APA if no Superior Offers received	As soon as practical following the Final Bid Deadline
Notice to Superior Bidders of Intention to Participate in Auction (If Required)	October 2, 2020
Superior Bidders to Notify of Intention to Participate in Auction (If Required)	October 6, 2020
AUCTION (If Required)	October 9, 2020
Approval Motion of Successful Bid	As soon as practical following the Auction

SCHEDULE "C"
STALKING HORSE APA

Document comparison by Workshare 10.0 on 21 August 2020 11:58:02 AM

Input:	
Document 1 ID	iManage://bjwork.legal.bjlocal/WSLegal/25363759/2
Description	#25363759v2<bjwork.legal.bjlocal> - Draft Stalking Horse SISP(115099950.6) (BJ Cleaned Up Version)
Document 2 ID	iManage://bjwork.legal.bjlocal/WSLegal/25363759/3
Description	#25363759v3<bjwork.legal.bjlocal> - Draft Stalking Horse SISP (FINAL)
Rendering set	Standard

Legend:	
<u>Insertion</u>	
<u>Deletion</u>	
<u>Moved from</u>	
<u>Moved to</u>	
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Format change	
<u>Moved deletion</u>	
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Deleted cell	Light red
Moved cell	Light green
Split/Merged cell	Light yellow
Padding cell	Light grey

Statistics:	
	Count
Insertions	17
Deletions	18
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	35

Appendix B

Blackline of Revised Stalking Horse APA

PURCHASE AND SALE AGREEMENT

BETWEEN:

**PRICEWATERHOUSECOOPERS INC. LIT, SOLELY IN ITS CAPACITY AS RECEIVER AND
MANAGER OF THE ASSETS, UNDERTAKINGS AND PROPERTIES OF ACCEL CANADA
RESOURCES LIMITED, AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

- and -

CANADIAN FUTURE FUELS CORORATION

Dated:

August 18, 2020

TABLE OF CONTENTS

	Pg. No.
ARTICLE 1 INTERPRETATION	2
1.1 Definitions	2
1.2 Headings	12
1.3 Interpretation Not Affected by Headings	12
1.4 Plurals and Gender	12
1.5 Schedules	12
1.6 Damages	13
1.7 Derivatives	13
1.8 Interpretation if Closing Does Not Occur	13
1.9 Conflicts	13
1.10 Currency	13
ARTICLE 2 PURCHASE AND SALE AND CLOSING	13
2.1 Purchase and Sale	13
2.2 Purchase Price	13
2.3 Allocation of Purchase Price	14
2.4 Assumed Liabilities and Excluded Liabilities	14
2.5 Closing	15
2.6 Specific Conveyances	16
2.7 Miscellaneous Interests	16
2.8 Form of Payment	16
2.9 Taxes	16
ARTICLE 3 CONDITIONS OF CLOSING	18
3.1 Required Consents	18
3.2 Mutual Conditions	18
3.3 Purchaser's Conditions	19
3.4 Vendor's Conditions	19
3.5 Efforts to Fulfil Conditions Precedent	20
ARTICLE 4 REPRESENTATIONS AND WARRANTIES	20
4.1 Representations and Warranties of the Vendor	20
4.2 Representations and Warranties of the Purchaser	20
4.3 Limitation of Representations by the Vendor	22
ARTICLE 5 ENFORCEMENT OF REPRESENTATIONS AND WARRANTIES	23
5.1 Enforcement of Representations and Warranties	23
ARTICLE 6 INDEMNITIES	23
6.1 Post-Closing Date Indemnity	23
6.2 Environmental Matters and Abandonment and Reclamation Obligations	23
6.3 Third Party Claims	24
ARTICLE 7 MAINTENANCE OF ASSETS	25
7.1 Maintenance of Assets	25
7.2 Consent of Purchaser	26
7.3 Proposed Actions	26
7.4 Post-Closing Transition	27
7.5 Material Transfers and Conveyances	28
7.6 Vendor Deemed Purchaser's Agent	29
ARTICLE 8 SALES PROCESS	29
8.1 Sales Process	29

ARTICLE 9 PURCHASER'S REVIEW AND ACCESS TO BOOKS AND RECORDS	31
9.1 Vendor to Provide Access	31
9.2 Access to Information	31
9.3 Maintenance of Information	31
ARTICLE 10 GENERAL	31
10.1 Further Assurances	31
10.2 Receiver	32
10.3 Entire Agreement	32
10.4 Governing Law	32
10.5 Consequential Damages	32
10.6 Assignment and Enurement	32
10.7 Time of Essence	33
10.8 Notices	33
10.9 Invalidity of Provisions	33
10.10 Waiver	34
10.11 Amendment	34
10.12 Confidentiality and Public Announcements	34
10.13 Sealing Order	34
10.14 Termination	34
10.15 Personal Information	35
10.16 Counterpart Execution	36

Schedules

<i>Schedule "A"</i> -	<i>Lands and Facilities</i>
<i>Schedule "B"</i> -	<i>Assumed Contracts</i>
<i>Schedule "C"</i> -	<i>Assignment and Assumption Agreement</i>
<i>Schedule "D"</i> -	<i>General Conveyance</i>
<i>Schedule "E"</i> -	<i>Form of Bring-Down Certificate</i>
<i>Schedule "F"</i> -	<i>Form of Vesting Order</i>
<i>Schedule "G"</i> -	<i>Excluded Assets</i>
<i>Schedule "H"</i> -	<i>Stalking Horse Procedure</i>

PURCHASE AND SALE AGREEMENT

THIS AGREEMENT made as of **[date]August 21, 2020.**

BETWEEN:

PRICEWATERHOUSECOOPERS INC. LIT, SOLELY IN ITS CAPACITY AS RECEIVER AND MANAGER OF THE ASSETS, UNDERTAKINGS AND PROPERTIES OF ACCEL CANADA RESOURCES LIMITED, AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY (the "Vendor")

- and -

CANADIAN FUTURE FUELS CORPORATION (the "Purchaser")

WHEREAS:

- A. Pursuant to an order of the Court of Queen's Bench of Alberta in the Judicial District of Calgary, Alberta (the "Court") dated July 15, 2020 (the "Receivership Order"), the Vendor was appointed as the receiver and manager of all of the current and future assets, undertakings and properties of every nature or kind whatsoever, and wherever situate, of Accel Canada Resources Limited (the "Debtor"), including all proceeds thereof;
- B. Third Eye Capital Corporation ("TEC"), together with its Affiliates, has loaned approximately \$30 million to the Debtor pursuant to the ACRL Credit Agreement;
- C. The Purchaser is a special purpose vehicle controlled by funds managed, advised or directed by TEC or its Affiliates;
- D. Prior to Closing, TEC and its Affiliates will assign to the Purchaser, and the Purchaser shall assume all right of repayment of, all outstanding indebtedness owing to TEC and its Affiliates from the Debtor;
- E. the Vendor has determined that it is in the best interests of the creditors and stakeholders of the Debtor to conduct the Sales Process pursuant to which potential bidders may submit bids to purchase the Assets; and
- F. the Purchaser, subject to the Vesting Order, completion of the Sales Process, and determination by the Vendor that none of the aforesaid bids made by Third Parties other than the Purchaser pursuant to the Sales Process constitutes a Superior Offer resulting in a Successful Bid, has agreed to make a "stalking horse bid" to purchase and acquire and the Vendor has agreed to sell, transfer and assign to the Purchaser, all of the Vendor's Interest in and to the Assets and Assumed Liabilities, on the terms and conditions set forth herein.

NOW THEREFORE, THIS AGREEMENT WITNESSETH that in consideration of the premises and the mutual covenants and agreements hereinafter set forth, the Parties have agreed as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires:

- (a) **"Abandonment and Reclamation Obligations"** means all past, present and future obligations in respect of:
 - (i) the proper abandonment of the Facilities;
 - (ii) the closure, decommissioning, dismantling and removal of structures, foundations, buildings, pipelines and equipment pertaining to the Assets; and
 - (iii) the abandonment, restoration, remediation, rehabilitation and reclamation of the surface locations of the Assets, and lands used to gain access thereto, all in accordance with generally accepted oil and gas industry practices in the jurisdiction where the Assets are located, and Applicable Laws;
- (b) **"Accel Energy"** means Accel Energy Canada Limited;
- (c) **"Accel Holdings"** means Accel Canada Holdings Limited;
- (d) **"Accel Receivership Purchase Agreement"** means the asset purchase agreement to be entered into between Canadian Future Fuels Corporation and PricewaterhouseCoopers Inc. LIT, solely in its capacity as receiver and manager of the assets of Accel Holdings and Accel Energy, and not in its personal capacity;
- (e) **"Accounts Receivable"** means all trade and other accounts receivable, notes receivable, unbilled accounts for goods or commodities delivered or work performed in respect of the business and operations of the Debtor, and other debts due and accruing due to the Vendor and/or the Debtor in respect of their business and operations, together with all security or other collateral therefor and any interest for unpaid financing charges accrued thereon;
- (f) **"ACRL Credit Agreement"** means the credit agreement between the Debtor, as borrower, and TEC, as administrative agent and the lenders from time to time party thereto, dated November 9, 2018;
- (g) **"AER Licences"** means licence #F21501 currently held by Accel Holdings and licence #F13234 in respect of the Sour Gas Plant currently held by ARC Resources Ltd.;
- (h) **"AER Licence Transfers"** means the transfers contemplated to be made and accepted in respect of the AER Licences pursuant to Section 7.5(a);
- (i) **"Affiliate"** means, with respect to any Person, any other Person or group of Persons acting in concert, directly or indirectly, that controls, is controlled by or is under common control with such Person. The term **"control"** as used in the preceding sentence means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person whether through ownership or more than 50% of the voting securities of such Person, by contract or otherwise;

(j) "**Agreement**" means this purchase and sale agreement between the Vendor and the Purchaser, including all Recitals and Schedules attached hereto, and "**this Agreement**", "**herein**", "**hereto**", "**hereof**" and similar expressions mean and refer to this Agreement;

(k) "**Applicable Law**" means, in relation to any Person, property or circumstance, all laws, statutes, rules, regulations, official directives and orders of Governmental Authorities (whether administrative, legislative, executive or otherwise), including judgments, orders and decrees of courts, commissions or bodies exercising similar functions, as amended, and includes the provisions and conditions of any permit, licence or other governmental or regulatory authorization, that are in effect as at the relevant time and are applicable to such person, property or circumstance;

(l) "**Assets**" means all of the assets, undertakings and properties of the Debtor, including:

- (i) the Lands;
- (ii) the Facilities;
- (iii) the Tangibles;
- (iv) the Miscellaneous Interests;
- (v) all Accounts Receivable;
- (vi) all Cash and Cash Equivalents;
- (vii) all Books and Records in the possession of the Receiver, which, as at the date of this Agreement do not include any financial or accounting records;
- (viii) all rebates payable to the Vendor and/or the Debtor in relation to the operation of the Assets;
- (ix) agreements (including all software licenses and information technology licenses), documents or data to the extent that they pertain to any intellectual property, owned by a third party, provided that only the licensed interest of the Vendor and/or the Debtor in and to such intellectual property shall form part of the Assets;
- (x) all rights, Claims, actions and similar rights against any person to the extent related to the Assets or the Assumed Liabilities;

but excluding, for greater certainty, the Excluded Assets;

(m) "**Assignment and Assumption Agreement**" means an assignment and assumption agreement evidencing the assignment to the Purchaser of the Vendor's Interest in, to and under the Assumed Contracts and the assumption by the Purchaser of all of the Assumed Liabilities under or in respect of the Assumed Contracts, substantially in the form attached hereto as Schedule "C";

(n) "**Assumed Contracts**" means the contracts listed on Schedule "B" hereto, which contracts shall be assigned by the Vendor and assumed by the Purchaser in accordance with the terms of this Agreement, the relevant contracts or otherwise pursuant to the

Vesting Order or other order of the Court in form and substance satisfactory to the Parties;

- (o) **"Assumed Liabilities"** means, collectively, only the following Liabilities:
 - (i) all Environmental Liabilities and Abandonment and Reclamation Obligations, subject to Section 6.2; and
 - (ii) any Liabilities of the Vendor and/or the Debtor under Assumed Contracts;
 - (iii) all real property Taxes with respect to the Assets which arise or accrue on or after the Closing Date;
 - (iv) to the extent not already described in subsections (i) through (iv) of this definition above, all Liabilities arising from, related to, or associated with the Assets, to the extent that such Liabilities arise or accrue on or after the Closing Date;
- (p) **"Books and Records"** means all documents used by, and in the possession of, the Vendor and the Debtor in connection with, or relating to, the Assets, the Assumed Liabilities or the operations of the Debtor's business, including legal and title opinions related to the Assets, all files, data, reports, plans, mailing lists, supplier lists, customer lists, price lists, Financial Records, marketing information and procedures, advertising and promotional materials, equipment records, warranty information, environmental site assessments, building condition reports, surveys, records of operations, standard forms of documents, manuals of operations or business procedures, and other similar procedures (including all discs, tapes, and other media-storage data containing such information), other than Retained Books and Records;
- (q) **"Break Fee"** has the meaning ascribed to that term in Section 8.1(d);
- (r) **"Business Day"** means a day other than a Saturday, a Sunday or a statutory holiday in Calgary, Alberta or Toronto, Ontario;
- (s) **"Cash and Cash Equivalents"** means cash, cash equivalents, money on deposit with banks, certificates of deposit and similar instruments and short-term investments held by, or on behalf of, the Debtor, excluding any excess borrowings drawn by the Vendor pursuant to the Receivership Order in its capacity as receiver and manager of the Assets and the business of the Debtor;
- (t) **"Claim"** means any claim, demand, lawsuit, proceeding or arbitration, or any investigation by a Governmental Authority, pertaining to the Assets, in each case whether asserted, threatened, pending or existing;
- (u) **"Closing"** means the transfer of possession, legal and beneficial ownership and risks of the Assets from the Vendor to the Purchaser and satisfaction of the Purchase Price by the Purchaser, and all other items and considerations required to be delivered on the Closing Date pursuant hereto, including delivery of the Specific Conveyances if applicable;
- (v) **"Closing Date"** means the later of:

- (i) three Business Days following the date upon which all conditions set forth in Article 3 have been satisfied or waived; or
- (ii) another date agreed upon in writing by the Parties,
but in any event, shall be no later than the Outside Date;

(w) "**Closing Place**" means the office of the Purchaser's Counsel, or such other place as may be agreed upon in writing by the Parties;

(x) "**Court**" has the meaning ascribed thereto in the Recitals;

(y) ~~"Crown Surface Rights" means the Surface Rights described in Part IV(a) of Schedule "A" which are administered by Alberta Energy;~~

(z) ~~"Crown Surface Rights Transfers" means the transfers contemplated to be made and accepted in respect of the Crown Surface Rights pursuant to Section 7.5(b);~~

(aa) "**Data Room Information**" means all information provided or made available to the Purchaser in hard copy or electronic form in relation to the Debtor and/or the Assets;

(bb) "**Debt**" means the debt owed by the Debtor to TEC, in its capacity as administrative agent for various lenders from time to time, pursuant to the ACRL Credit Agreement, including all principal and all interest and costs accruing thereon as of Closing (such amount totaling \$28,916,767.12 as at July 31, 2020);

(cc) ~~(ee) "**Debtor**" has the meaning ascribed thereto in the Recitals;~~

(dd) ~~(dd) "**Effective Time**" means 12:01 a.m. on the Closing Date;~~

(ee) ~~(ee) "**Encumbrances**" means all mortgages, pledges, charges, liens, debentures, trust deeds, Claims, assignments by way of security or otherwise, security interests, conditional sales contracts or other title retention agreements, security created under the *Bank Act* (Canada), rights of first refusal, or similar interests or instruments charging or creating a security interest in the Assets or any part thereof or interest therein, and any agreements, leases, licenses, occupancy agreements, options, easements, rights of way, restrictions, executions, or other encumbrances (including notices or other registrations in respect of any of the foregoing) affecting title to the Assets or any part thereof or interest therein;~~

(ff) ~~(ff) "**Environment**" and "**Environmental**" means the components of the earth and includes ambient air, land, surface and subsurface strata, groundwater, surface water, all layers of the atmosphere, all organic and inorganic matter and living organisms, and the interacting natural systems that include such components, and any derivative thereof shall have a corresponding meaning;~~

(gg) ~~(gg) "**Environmental Liabilities**" means all past, present and future liabilities, obligations and expenses in respect of the Environment which relate to the Assets, or which arise in connection with the ownership thereof or operations pertaining thereto, including liabilities related to or arising from:~~

- (i) transportation, storage, use or disposal of toxic or hazardous substances;

(ii) release, spill, escape, emission, leak, discharge, migration or dispersal of toxic or hazardous substances; or

(iii) pollution or contamination of or damage to the Environment,

including liabilities to compensate Third Parties for damages and Losses resulting from the items described in items (i), (ii) and (iii) above (including damage to property, personal injury and death) and obligations to take action to prevent or rectify damage to or otherwise protect the Environment, but excluding all obligations and liabilities that are Excluded Liabilities or are related to the Excluded Assets;

(ff) **(hh)** "Excluded Assets" means:

(i) any item or thing owned by Third Parties and licenced to the Debtor with restrictions on deliverability or disclosure by the Debtor that prevent the conveyance of such item or thing to the Purchaser;

(ii) documents prepared by or on behalf of the Debtor in contemplation of litigation and any other documents within the possession of the Debtor which are subject to solicitor-client privilege under the laws of the Province of Alberta or any other jurisdiction;

(iii) agreements, documents or data to the extent that:

(A) they are owned or licensed by Third Parties with restrictions on their deliverability or disclosure by the Debtor to an assignee;

(B) they comprise the Debtor's tax and financial records, and economic evaluations;

(iv) any other assets specifically described in Schedule "G";

but "Excluded Assets" shall not include any property, rights or interests specifically described as Miscellaneous Interests;

(gg) **(ii)** "Excluded Contracts" means the contracts of the Debtor identified as such in Schedule "H";

(hh) **(jj)** "Excluded Liabilities" has the meaning ascribed thereto in Section 2.4(b);

(ii) **(kk)** "Facilities" means the Vendor's Interest in and to the Sour Gas Plant and the Field Battery Assets;

(jj) **(ll)** "Field Battery Assets" means the machinery, equipment, facilities and other Tangibles comprising the Facilities and relating to the "Field Battery Assets" as further described in Schedule "A";

(kk) **(mm)** "Financial Records" means all books of account and other financial data and information of the Debtor and all such records, data, and information stored electronically, digitally, or on computer-related media;

(nn) **"Freehold Surface Rights"** means the Surface Rights described in Part IV(b) of Schedule "A";

(ll) ~~(ee)~~**"General Conveyance"** means an agreement providing for the assignment to the Purchaser of the Vendor's Interest in and to the Assets, free and clear of all Encumbrances (other than Permitted Encumbrances), substantially in the form attached hereto as Schedule "D";

(mm) ~~(pp)~~**"Governmental Authority"** means any federal, national, provincial, territorial, municipal or other government, any political subdivision thereof, and any ministry, sub-ministry, agency or sub-agency, court, board, bureau, office, commission or department, as well as any government-owned entity, any regulatory authority (including the Regulator) and any public authority, including any public utility, having jurisdiction over a Party, the Assets or the Transaction;

(nn) ~~(qq)~~**"GST"** means the goods and services tax payable pursuant to the GST Legislation;

(oo) ~~(rr)~~**"GST Legislation"** means Part IX of the *Excise Tax Act*, R.S.C. 1985, c. E-15, as amended, and the regulations promulgated thereunder, all as amended from time to time;

(pp) ~~(ss)~~**"Lands"** means the lands set forth and described in Schedule "A";

(qq) ~~(tt)~~**"Liability"** means any debt, liability, commitment, or other obligation (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, or due or not yet due) and including all costs, fees and expenses relating thereto;

(rr) ~~(uu)~~**"Losses"** means all actions, causes of action, losses, costs, Claims, damages, penalties, assessments, charges, expenses, and other liabilities and obligations which a Party suffers, sustains, pays or incurs, including reasonable legal fees and other professional fees and disbursements on a full-indemnity basis;

(ss) ~~(vv)~~**"Material Adverse Effect"** means, in relation to a specified fact, circumstance, occurrence or event or any combination thereof, that the fact, circumstance, occurrence or event or combination thereof: (1) has had, or would reasonably be expected to have, a material adverse effect in respect of the Assets, the condition (financial or otherwise) or the operations of the Debtor's business (including: (A) the declaration of a national or regional emergency (other than any such emergency declared and in effect as of the date hereof) or similar action by any Governmental Authority; (B) disruptions due to availability of labour, strikes or labour stoppages; or (C) a shortage of adequate power or transportation facilities or the occurrence of any embargoes or blockages; in each case involving the Province of Alberta as a result of, related to or in connection with any epidemic, pandemic, outbreak of disease (including COVID 19) or other health crisis or public health event, or the worsening of any of the forgoing), the Assumed Liabilities or the Debtor's business (excluding the Excluded Assets and the Excluded Liabilities), considered as a whole; or (2) has prevented, or would reasonably be expected to prevent, the ability of the Purchaser to consummate the Transaction or to perform the Purchaser's obligations hereunder (including as a result of the matters specified above in sub-clauses (1)(A) to (C)); but, except as specifically set out above, excluding any such fact, circumstance, occurrence or event, or combination thereof, that:

(i) results from conditions affecting the Western Canadian oil and gas industry generally as a whole; or

- (ii) results from general economic, financial, currency exchange, securities or commodity market conditions in Canada or elsewhere; or
- (iii) results from natural declines in the production of Petroleum Substances or changes in the quantity, quality or rate of production of Petroleum Substances from the Lands or lands pooled or unitized therewith;

provided that, with respect to clauses (i) and (ii) of this definition, such facts, circumstances, occurrences or events, or combination thereof, do not have a disproportionate effect on the Assets, the condition (financial or otherwise) or the operations of the Debtor's business, the Assumed Liabilities or the Debtor's business (excluding the Excluded Assets and the Excluded Liabilities) considered as a whole, relative to the effect of other commercial enterprises operating a business that is similar to the Debtor's business or owning assets that are similar to the Assets;

(tt) ~~(ww)~~ "**Material Transfers**" means **(i)** the AER Licence Transfers, ~~the Crown~~**(ii)** any Surface Rights ~~Transfer~~**transfers which are required to be completed in accordance with Section 7.5(b)(i), as applicable**, and **(iii)** such other governmental and other regulatory approvals which are required in connection with the operation of the Assets which may be identified by the Purchaser or the Vendor following execution of this Agreement;

(uu) ~~(xx)~~ "**Miscellaneous Interests**" means, subject to any and all limitations and exclusions provided for in this definition, the Vendor's Interest in and to all property, interests and rights pertaining to the Facilities or the Tangibles, including any and all of the following:

- (i) all contracts and agreements, including agreements for the ownership and operation of any of the Tangibles and the Assumed Contracts;
- (ii) the Surface Rights; and
- (iii) all records, books, documents, reports and data which relate to the Lands and the Tangibles;

but specifically excluding the Excluded Assets;

(vv) ~~(yy)~~ "**Outside Date**" means November 30, 2020;

(ww) ~~(zz)~~ "**Party**" means a party to this Agreement;

(xx) ~~(aaa)~~ "**Permitted Encumbrances**" means:

- (i) the right reserved to or vested in any grantor, Governmental Authority by the terms of any lease, license, franchise, grant or permit, or by any statutory provision, to terminate any of such license, franchise, grant or permit or to require annual or other periodic payments as a condition of the continuance thereof;
- (ii) easements, rights of way, servitudes or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables which do not materially impair the use of the Assets affected thereby;

- (iii) rights of general application reserved to or vested in any governmental authority to levy taxes on Petroleum Substances or any of them or on the income or revenue therefrom, and governmental requirements and limitations of general application as to production rates on the operations of any property;
- (iv) the right reserved to or vested in any Governmental Authority to control or regulate any of the Assets in any manner, including any directives or notices received from any Governmental Authority pertaining to the Assets;
- (v) undetermined or inchoate liens incurred or created in the ordinary course of business as security in favour of any Person with respect to the development or operation of any of the Assets, as regards the Vendor's and/or the Debtor's share of the costs and expenses thereof which are not due or delinquent as of the date hereof or, if then due or delinquent are being contested in good faith by the Vendor and/or the Debtor, provided that the Vendor and/or the Debtor have disclosed in writing to Purchaser, prior to the date hereof, all such liens which are being diligently contested in good faith, as applicable; and
- (vi) liens created in the ordinary course of business in favour of any Governmental Authority with respect to operations pertaining to any of the Assets or operations thereon for the payment of taxes, assessments and governmental charges which are not due at Closing, or the validity of which is being diligently contested in good faith by the Vendor, provided Vendor has disclosed in writing to Purchaser, prior to the date hereof, all such liens or security which are being diligently contested in good faith, as applicable;

(yy) ~~(bbb)~~—**"Person"** means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executor, Governmental Authority or other entity;

(zz) ~~(eee)~~—**"Petroleum Substances"** means petroleum, natural gas, natural gas liquids and related hydrocarbons and all other substances (whether hydrocarbon or not), including sulphur, capable of being produced in association with petroleum and natural gas and related hydrocarbons;

(aaa) ~~(ddd)~~—**"Priority Charges"** means all claims against the Debtor or the Assets that rank in priority to the TEC Security, including all outstanding non-linear property taxes owing in respect of the Assets, but which do not include the Receivership Obligations;

(bbb) ~~(eee)~~—**"Purchase Price"** has the meaning ascribed thereto in Section 2.2;

(ccc) ~~(fff)~~—**"Purchaser"** has the meaning ascribed thereto in the Recitals;

(ddd) ~~(eee)~~—**"Purchaser's Counsel"** means Bennett Jones LLP;

(eee) ~~(hhh)~~—**"Recitals"** means the preamble and the recitals to this Agreement;

(fff) ~~(iii)~~—**"Receivership Charges"** means the charges created by the Receivership Order that rank in priority to the TEC Security, totaling a maximum aggregate value of \$350,000, comprised of:

- (i) the Receiver's Charge up to a maximum aggregate value of \$250,000; and

(ii) the Receiver's Borrowings Charge up to a maximum aggregate value of \$100,000;

(ggg) ~~(jjj)~~ "Receivership Obligations" means the indebtedness, liabilities and obligations secured by the Receivership Charges;

(hhh) ~~(kkk)~~ "Receivership Order" has the meaning ascribed thereto in the Recitals;

(iii) ~~(iii)~~ "Receivership Proceedings" means the court proceedings brought in the Court pursuant to Court Action No. 2001 – 06201, filed on May 8, 2020, in which proceedings, pursuant to the Receivership Order the Vendor was appointed as receiver and manager of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof;

(jjj) ~~(mmm)~~ "Regulator" means the Alberta Energy Regulator;

(kkk) ~~(nnn)~~ "Representative" means, with respect to any Party, its Affiliates, and its and their respective directors, officers, agents, advisors, employees and consultants and includes the Debtor, their Affiliates and their respective directors, officers, agents, advisors, employees and consultants;

(iii) ~~(ooo)~~ "Retained Books and Records" means (a) any documents (including books and records) that the Debtor is required by Applicable Law to retain, (b) corporate seals, minute books, charter documents, corporate record books, original tax and financial records, and such other books and records as pertain to the organization, existence, actions, or share capitalization of the Debtor, and (c) any books and records or information related exclusively to any of the Excluded Assets or Excluded Liabilities;

(mmm)(ppp) "RMF2 Form" means Alberta Energy Reassignment of Volume Setup/Change Form with all required attachments that are required to be submitted to Alberta Energy with respect to the transfer of gas production volumes between a vendor and a purchaser;

(nnn) ~~(qqq)~~ "Sales Process" means the sales solicitation process approved by the Court in relation to the Assets, the procedure for which is described in the Stalking Horse Procedure;

(ooo) ~~(rrr)~~ "Sales Process Order" means the order of the Court to be sought by the Vendor establishing, among other things, the Sales Process;

(ppp) ~~(sss)~~ "Sales Taxes" means all transfer, sales, excise, stamp, licence, production, value-added and other like taxes, assessments, charges, duties, fees, levies or other charges of a Governmental Authority (including additions by way of penalties, interest and other amounts relating to late filings or payments) with respect to the transfer and conveyance to the Purchaser of the Assets or the transfer or registration of the Specific Conveyances, and any income taxes and penalties and interest related thereto;

(qqq) ~~(ttt)~~ "Schedule" means a schedule attached to, and which forms a part of, this Agreement;

(rrr) ~~(uuu)~~ "Sour Gas Plant" means the Redwater Gas Conservation & Sulphur Recovery Plant as further described in Schedule "A";

(sss) (www) "Specific Conveyances" means all conveyances, assignments, transfers, novations, RMF2 Forms, and such other documents or instruments as are reasonably required or desirable to convey, assign and transfer the Assets to the Purchaser and to novate the Purchaser in the place and stead of the Vendor or Accel Holdings, as applicable, with respect to the Assets (excluding the AER License Transfers and the ~~Crown~~transfers of any Surface Rights Transfers);

(ttt) (www) "Stalking Horse APA" shall have the meaning ascribed thereto in the Stalking Horse Procedure;

(uuu) (xxx) "Stalking Horse Procedure" means the procedure to be followed with respect to the Sales Process, substantially in the form attached as Schedule "H" and to be approved by the Sales Process Order;

(vvv) (yyy) "Successful Bid" has the meaning ascribed to that term in the Stalking Horse Procedure;

(www) (zzz) "Superior Offer" has the meaning ascribed to that term in the Stalking Horse Procedure;

(aaaa) "Surface Rights" means ~~Crown Surface Rights and the Freehold Surface Rights;~~

(xxx) "Surface Rights" means the Vendor's Interest in and to all rights to enter upon, use, occupy and enjoy the surface of any lands which are used or may be used to gain access to or otherwise use the Lands or the Tangibles, or either of them, and all contracts and agreements related thereto, whether such rights are held in fee simple, by lease, by right-of-way, or otherwise, including the following rights:

(yyy) (bbbb) "Tangibles" means the Vendor's Interest in and to:

- (i) the Facilities; and
- (ii) the following that are used or held for use in respect of the Facilities to the extent they relate solely to the Facilities:
 - (A) all tangible depreciable equipment and facilities used in the production, dehydration, processing, gathering, treatment, measurement, storage or transportation of Petroleum Substances, including: gas plants; oil batteries; buildings; compressors; production equipment; active, inactive or decommissioned pipelines and tangible equipment; wellheads; pipelines; gathering lines; flow lines; pipeline connections; meters; generators; motors; compressors; treaters; dehydrators; scrubbers; separators; pumps; pumpjacks; tanks and boilers;
 - (B) field offices, including all leasehold improvements, furniture and office supplies located therein;
 - (C) tangible equipment used exclusively with maintenance management systems and field measurement facilities; and
 - (D) Petroleum Substances.

(zzz) (eeee) "Tax" means all taxes, assessments, charges, dues, duties, rates, fees, imposts, levies and similar charges of any kind lawfully levied, assessed or imposed by any Governmental Authority under any applicable federal, provincial, territorial, municipal and local, foreign, or other statutes, ordinances or regulations imposing a tax, including income, capital, capital gains, goods and services, sales, use, consumption, excise, value added (including GST, Harmonized Sales Tax and Sales Taxes), business, real property, personal property, carbon, transfer, franchise, withholding, payroll, or employer health taxes, Canada Pension Plan contributions, employment insurance premiums, and provincial workers' compensation payments, levy, assessment, whether computed on a separate, combined, unitary, or consolidated basis or any other manner, including any interest, penalties and fines associated therewith;

(aaaa) (ffff) "Tax Act" means the *Income Tax Act* (Canada), R.S.C. 1985, c. 1 (5th Supp);

(bbbb) (eeee) "Tax Return" or "Tax Returns" means all returns, declarations of estimated tax payments, reports, estimates, information returns, and statements, including any related or supporting information with respect to any of the foregoing, filed or required to be filed with any taxing authority;

(cccc) (ffff) "TEC" has the meaning ascribed to that term in the Recitals;

(dddd) (eeee) "TEC Security" means the security which secures the indebtedness outstanding under the ACRL Credit Agreement;

(eeee) (hhhh) "Third Party" means any individual or entity other than the Vendor, the Debtor and the Purchaser, including any partnership, corporation, trust, unincorporated organization, union, government and any department and agency thereof and any heir, executor, administrator or other legal representative of an individual;

(ffff) (iiii) "Transaction" means the transaction for the purchase and sale of the Assets contemplated by this Agreement;

(gggg) (jjjj) "Vendor" has the meaning ascribed thereto in the Recitals;

(hhhh) (kkkk) "Vendor's Counsel" means Borden Ladner Gervais LLP;

(iiii) (III) "Vendor's Interest" means, when used in relation to any asset, undertaking or property, the entire right, title, estate and interest, if any, of the Debtor and/or the Vendor, as applicable, in, to and/or under such asset, undertaking or property; and

(jjjj) (mmmm) "Vesting Order" means an order to be granted by the Court substantially in the form of Schedule "F" which authorizes, approves and confirms this Agreement and the sale of the Assets by the Vendor to the Purchaser in accordance with the terms and conditions contained herein, and vests legal and beneficial title to the Assets in the Purchaser free and clear of all Encumbrances, other than Permitted Encumbrances.

1.2 Headings

The words "Article", "Section", "subsection" and "Schedule" followed by a number or letter or combination thereof mean and refer to the specified Article, Section, subsection and Schedule of or to this Agreement.

1.3 Interpretation Not Affected by Headings

The division of this Agreement into Articles, Sections and subsections and the provision of headings for all or any thereof are for convenience and reference only and shall not affect the construction or interpretation of this Agreement.

1.4 Plurals and Gender

When the context reasonably permits, words suggesting the singular shall be construed as suggesting the plural and *vice versa*, and words suggesting gender or gender neutrality shall be construed as suggesting the masculine, feminine and neutral genders.

1.5 Schedules

There are appended to this Agreement the following Schedules pertaining to the following matters:

Schedule "A"	-	Lands and Facilities
Schedule "B"	-	Assumed Contracts
Schedule "C"	-	Assignment and Assumption Agreement
Schedule "D"	-	General Conveyance
Schedule "E"	-	Form of Bring-Down Certificate
Schedule "F"	-	Form of Vesting Order
Schedule "G"	-	Excluded Assets
Schedule "H"	-	Stalking Horse Procedure

Such Schedules are incorporated herein by reference as though contained in the body hereof. Wherever any term or condition of such Schedules conflicts or is at variance with any term or condition in the body of this Agreement, such term or condition in the body of this Agreement shall prevail.

1.6 Damages

All Losses, costs, Claims, damages, expenses and liabilities in respect of which a Party has a claim pursuant to this Agreement shall include reasonable legal fees and disbursements on a full indemnity basis.

1.7 Derivatives

Where a term is defined in the body of this Agreement, a capitalized derivative of such term shall have a corresponding meaning unless the context otherwise requires. The word "include" and derivatives thereof shall be read as if followed by the phrase "without limitation".

1.8 Interpretation if Closing Does Not Occur

In the event that Closing does not occur, each provision of this Agreement which presumes that the Purchaser has acquired the Assets hereunder shall be construed as having been contingent upon Closing having occurred.

1.9 Conflicts

If there is any conflict or inconsistency between a provision of the body of this Agreement and that of a schedule or a Specific Conveyance, the provision of the body of this Agreement shall prevail.

1.10 Currency

All dollar (\$) amounts referenced in this Agreement are expressed in the lawful currency of Canada.

ARTICLE 2

PURCHASE AND SALE AND CLOSING

2.1 Purchase and Sale

The Vendor hereby agrees to sell, assign, transfer, convey and set over to the Purchaser, and the Purchaser hereby agrees to purchase from the Vendor, the Vendor's Interest (whether absolute or contingent, legal or beneficial) in and to the Assets, subject to and in accordance with the terms and conditions of this Agreement and the Vesting Order.

2.2 Purchase Price

The aggregate consideration to be paid by the Purchaser to the Vendor for the Vendor's Interest in and to the Assets shall be the aggregate of the following amounts (the "**Purchase Price**"), plus applicable GST and other Sales Taxes satisfied by the Purchaser (or the Vendor, to the extent applicable):

- (a) payment of an amount, in cash, necessary to fully pay the Receivership Obligations which are verified by the Vendor as outstanding on Closing;
- (b) payment of an amount, in cash, necessary to fully pay the Priority Charges which are verified by the Vendor as outstanding on Closing;
- (c) the Debt shall be confirmed as indefeasibly paid in full; and
- (d) the assumption by the Purchaser of the Assumed Liabilities in accordance with Section 2.4.

The Parties hereby acknowledge and agree that the Purchase Price set forth in this Section 2.2 accurately reflects and takes into proper account both the positive value of all of the Assets as well as the offsetting reductions in value for the Environmental Liabilities and Abandonment and Reclamation Obligations associated therewith and the absolute release of the Vendor and the Debtor of all and any responsibility or liability therefor. In such determination of the Purchase Price, the Parties agree that the extent and value of past, present and future environmental, abandonment or reclamation liabilities related to the Assets is unknown, and the Parties have not attributed a specific or agreed to value with regard to either (i) such liabilities, or (ii) any indemnities provided for in this Agreement, nor shall there be any adjustments made to the Purchase Price in relation thereto.

2.3 Allocation of Purchase Price

The Parties shall allocate the Purchase Price as follows:

Lands	10%
Tangibles	90%
Miscellaneous Interests	\$1.00

The Parties shall file their respective Tax Returns based upon and in accordance with the allocations in this Section 2.3 and will not make any inconsistent statements or take any inconsistent positions on any Tax Returns, in any refund claims or during the course of any audits by any taxing authorities.

2.4 Assumed Liabilities and Excluded Liabilities

- (a) As partial payment of the Purchase Price and, to the extent permitted by Applicable Law, on the Closing Date, the Purchaser shall assume and agree to pay, perform and otherwise discharge, when due, the Assumed Liabilities. In determining the Purchase Price, the Parties have taken into account the Purchaser's assumption of responsibility for the payment of all costs for existing or future Abandonment and Reclamation Obligations and Environmental Liabilities associated with the Assets, as set forth in this Agreement, and the absolute release of the Vendor of all and any responsibility or liability therefor.
- (b) Notwithstanding anything to the contrary in this Agreement or any document entered into in connection with the Transaction which is to the contrary, neither the Purchaser nor any Affiliate of the Purchaser is assuming, shall assume, or shall be deemed to have assumed, any Liabilities of the Vendor and/or the Debtor, other than the Assumed Liabilities (all such other Liabilities, the **"Excluded Liabilities"**). For the avoidance of doubt, the Excluded Liabilities shall include the following:
 - (i) except as contemplated by Section 2.4(a), all Liabilities of the Vendor and/or Debtor that: (A) are not secured by Encumbrances on any of the assets of the Debtor; (B) are secured by Encumbrances on the assets of the Debtor that rank junior to the Encumbrances securing the obligations of the Debtor to the Purchaser and its Affiliates; or (C) are subordinated to the obligations of the Debtor to the Purchaser and its Affiliates;
 - (ii) all Liabilities arising out of Excluded Assets, including or relating to the Excluded Contracts;
 - (iii) unless otherwise specified herein, any Taxes payable by the Vendor and/or the Debtor;
 - (iv) all Liabilities of the Vendor and the Debtor under this Agreement;
 - (v) any Liability with respect to any legal, accounting audit, financial advisory and investment banking and broker fees and any other expenses incurred by the Vendor and/or the Debtor, including with respect to the Transactions, the Receivership Proceedings (including fees and expenses of the Vendor's Counsel and the Debtor's legal counsel);
 - (vi) all Liabilities of the Vendor and/or the Debtor that are vested off by the Vesting Order or are subordinated to the obligations of the Vendor and/or the Debtor to the Purchaser and its Affiliates; and

(vii) any Liability of the Vendor and/or the Debtor not expressly included among the Assumed Liabilities or expressly assumed by the Purchaser, or an Affiliate thereof, under this Agreement.

2.5 Closing

Closing shall take place at the Closing Place on the Closing Date if there has been satisfaction or waiver of the conditions of Closing herein contained. Subject to all other provisions of this Agreement, possession, risk, legal and beneficial ownership of the Vendor's Interest in and to the Assets shall pass from the Vendor to the Purchaser on the Closing Date.

(a) On the Closing Date, the Vendor shall deliver to the Purchaser:

- (i) the Assignment and Assumption Agreement, duly executed by the Vendor;
- (ii) the General Conveyance, duly executed by the Vendor;
- (iii) the Bring-Down Certificate substantially in the form attached as Schedule "E", duly executed by the Vendor;
- (iv) a receipt for the Purchase Price plus applicable GST and other Sales Taxes;
- (v) the tax elections described in Section 2.9(c), duly executed by the Vendor;
- (vi) a copy of the Vesting Order;
- (vii) the Specific Conveyances, duly executed by the Vendor, to the extent such Specific Conveyances were provided to the Vendor no later than one Business Day prior to Closing; and
- (viii) such other documents as may be specifically required hereunder or as may be reasonably requested by the Purchaser upon reasonable notice to the Vendor.

(b) On the Closing Date, the Purchaser shall deliver to the Vendor:

- (i) evidence that those portions of the indebtedness outstanding to the Purchaser, which form a portion of the Purchase Price, all as more fully described in Section 2.2, have been indefeasibly repaid;
- (ii) the tax elections described in Section 2.9(c), duly executed by the Purchaser;
- (iii) the Assignment and Assumption Agreement, duly executed by the Purchaser;
- (iv) the General Conveyance, duly executed by the Purchaser;
- (v) the Bring-Down Certificate substantially in the form attached as Schedule "E", duly executed by the Purchaser;
- (vi) where required, the Specific Conveyances, duly executed by the Purchaser, to the extent prepared on or before the Closing Date by the Purchaser;
- (vii) the confirmation referenced in Section 7.5(a) in relation to the cash or letters of credit required to be provided to the Regulator; and

(viii) such other documents as may be specifically required hereunder or as may be reasonably requested by the Vendor upon reasonable notice to the Purchaser.

2.6 Specific Conveyances

The Parties shall cooperate in the preparation of the Specific Conveyances. At a reasonable time prior to Closing, but not later than three (3) Business Days prior to the Closing Date, the Vendor shall use reasonable efforts to prepare and provide to the Purchaser for the Purchaser's review all Specific Conveyances at the Vendor's sole cost and expense. The Parties shall execute such Specific Conveyances at Closing. None of the Specific Conveyances shall confer or impose upon either Party any greater right or obligation than as contemplated in this Agreement. Promptly after Closing, the Purchaser shall promptly register and/or distribute (as applicable) all such Specific Conveyances, and the Purchaser shall bear all costs incurred therewith and in preparing and registering any further assurances required to convey the Assets to the Purchaser.

2.7 Miscellaneous Interests

As soon as practicable following Closing, the Vendor shall deliver to the Purchaser paper originals, paper photocopies where originals are not available, or electronic copies where neither paper originals or photocopies are available, of the agreements, files and documents to which the Assets are subject, and such contracts, agreements, records, books, documents, licences, reports and data as comprise the Miscellaneous Interests and which are now in the possession of the Vendor.

2.8 Form of Payment

All cash amounts payable by the Purchaser pursuant to this Agreement shall be in Canadian funds. All payments to be made pursuant to this Agreement shall be made by wire transfer.

2.9 Taxes

(a) GST

Each of the Purchaser and the Debtor is a registrant for GST purposes and will continue to be a registrant at the Closing Date in accordance with the provisions of the GST Legislation. Their respective GST registration numbers are:

Debtor	750120917 RT0001
Purchaser	740459276 RT0001

The Vendor agrees, if requested by the Purchaser, to make an election under subsection 167(1) of the GST Legislation in respect of the GST payable to the Vendor as a result of the Transaction contemplated herein. The Purchaser, acting reasonably, shall prepare, and the relevant Parties agree to execute and file, such elections in the form and within the time periods prescribed or specified under Applicable Law. The Purchaser shall be responsible for the payment of any amount of GST payable in respect of its purchase of the Assets pursuant hereto and any interest and penalties payable in respect of such GST and shall indemnify and save harmless the Vendor in respect thereof. The Purchaser's indemnity obligations in this Section 2.9(a) shall survive the Closing Date indefinitely.

(b) Sales Taxes

The Parties acknowledge that the Purchase Price is exclusive of all Sales Taxes. The Purchaser shall be solely responsible for the payment of all Sales Taxes which may be imposed by any Governmental Authority and which pertain to the Purchaser's acquisition of the Assets or to the registration of any Specific Conveyances necessitated hereby. Except where the Vendor is required under Applicable Law to collect or pay such Sales Taxes, the Purchaser shall pay such Sales Taxes directly to the appropriate Governmental Authority within the required time period and shall file when due all necessary documentation with respect to such Sales Taxes when due. The Vendor will do and cause to be done such things as are reasonably requested to enable the Purchaser to comply with such obligation in a timely manner. If the Vendor is required under Applicable Law to pay any such Sales Taxes, the Purchaser shall promptly advance to the Vendor, or if the Vendor has already paid same, reimburse the Vendor the full amount of such Sales Taxes upon delivery to the Purchaser of copies of assessments or receipts, as applicable, showing assessment or payment, as applicable, of such Sales Taxes. The Purchaser shall be responsible for the payment of any amount of Sales Taxes payable in respect of its purchase of the Assets pursuant hereto and any interest and penalties payable in respect thereto and shall indemnify and save harmless the Vendor in respect thereof. The Purchaser's indemnity obligations in this Section 2.9(b) shall survive the Closing Date indefinitely.

(c) Tax Elections

- (i) If requested by the Purchaser, the Vendor and the Purchaser shall, as soon as possible after the Closing, jointly execute and file an election under Section 22 of the Tax Act and equivalent provisions of any applicable provincial or territorial regulation in respect of the sale of the Accounts Receivable and other assets that are described in Section 22 of the Tax Act and shall designate therein the applicable portion of the Purchase Price as the consideration paid by the Purchaser therefor. The Parties shall each file such elections with the Canada Revenue Agency (or any applicable provincial or territorial taxing authority) forthwith after execution thereof (and, in any event, with their respective tax returns for the year of sale) to make such election.
- (ii) If requested by the Purchaser, the Vendor and the Purchaser shall, as soon as possible after the Closing, jointly execute and file an election under Subsection 20(24) of the Tax Act and equivalent provisions of any applicable provincial or territorial regulation. The Parties shall each file such election with the Canada Revenue Agency (or any applicable provincial or territorial taxing authority).

(d) Tax Returns

The Purchaser and the Vendor shall furnish or cause to be furnished to each other, as promptly as reasonably practicable, such information in their possession and assistance relating to the Assets and the Assumed Liabilities as is reasonably necessary for the preparation and filing of any Tax Return, claim for refund, or other filings relating to Tax matters, or in connection with any Tax audit or other Tax proceeding.

ARTICLE 3 **CONDITIONS OF CLOSING**

3.1 Required Consents

- (a) Before Closing, each of the Parties shall use all reasonable efforts to obtain any and all approvals required under Applicable Law to permit closing of the Transaction. The Parties acknowledge that, except for the Vesting Order, the acquisition of such consents

shall not be a condition precedent to Closing. Subject to the provisions of Section 7.5, it shall be the sole obligation of the Purchaser, at the Purchaser's sole cost and expense, to provide any and all financial assurances, remedial work or other documentation required by Governmental Authorities to permit the transfer to the Purchaser, and registration of the Purchaser as owner and/or operator, of any of the Assets including, but not limited to, the Facilities.

- (b) Notwithstanding anything to the contrary herein, except for the Vesting Order, and subject to the provisions of Section 7.5, it is the sole obligation of the Purchaser to obtain any Third Party consents, permissions or approvals that are required in connection with the assignment of the Vendor's Interest in any Miscellaneous Interests including remedying any financial deficiencies under any Assumed Contracts and agreements, at the Purchaser's sole cost and expense. Upon obtaining prior written approval of the Purchaser and providing sufficient documentary support to the Purchaser, all reasonable and necessary costs, fees, expenses, penalties or levies that are incurred by the Vendor and or the Debtor in order to effect the assignment of the Assets to the Purchaser shall be the sole responsibility of the Purchaser, and the Purchaser agrees to pay on behalf of the Vendor and the Debtor any such reasonable and necessary costs, fees, expenses, penalties or levies on a timely basis.

3.2 Mutual Conditions

The obligation of the Purchaser to purchase the Vendor's Interest in and to the Assets, and of the Vendor to sell its interest in and to the Assets to the Purchaser, is subject to the following conditions precedent:

- (a) the Vesting Order being obtained;
- (b) no stay or appeal or application to vary the Vesting Order shall have been filed with the Court at any time by the Vendor or any other Person on or before the Closing, and the Vesting Order shall not have been otherwise vacated; and
- (c) the Vesting Order granted by the Court shall be acceptable to each of the Purchaser and the Vendor, acting reasonably, and the Vesting Order shall not have been amended, supplemented or otherwise modified in a manner not acceptable to the Parties, acting reasonably.

Unless otherwise agreed to by the Parties, if the conditions contained in this Section 3.2 have not been performed, satisfied or waived before the Outside Date, this Agreement and the obligations of the Vendor and the Purchaser under this Agreement (other than under Sections 10.12 and 10.15) shall automatically terminate without any further action on the part of either the Vendor or the Purchaser.

3.3 Purchaser's Conditions

The obligation of the Purchaser to purchase the Vendor's Interest in and to the Assets is subject to the following conditions precedent, which are inserted herein and made part hereof for the exclusive benefit of the Purchaser and may be waived by the Purchaser:

- (a) the representations and warranties of the Vendor herein contained shall be true in all material respects when made and shall remain true as of the Closing Date;
- (b) all obligations of the Vendor in this Agreement to be performed prior to or at Closing shall have been timely performed in all material respects;

- (c) the Material Transfers shall have been completed and approved by the applicable Governmental Authorities;
- (d) closing of the transactions contemplated in the Accel Receivership Purchase Agreement prior to, or concurrently with, closing of the Transactions provided for in this Agreement;
- (e) no Material Adverse Effect shall have occurred between the date of this Agreement and Closing; and
- (f) the Vendor shall have executed and delivered or caused to have been executed and delivered to the Purchaser at or before the Closing all of the documents and deliverables provided for in Section 2.5(a).

If any one or more of the foregoing conditions precedent has or have not been satisfied, complied with, or waived by the Purchaser, at or before the Outside Date, the Purchaser may terminate this Agreement by written notice to the Vendor. If the Purchaser terminates this Agreement, the Vendor and the Purchaser shall be released and discharged from all obligations hereunder except as provided in Sections 10.12 and 10.15.

3.4 Vendor's Conditions

The obligation of the Vendor to sell the Vendor's Interest in and to the Assets to the Purchaser is subject to the following conditions precedent, which are inserted herein and made part hereof for the exclusive benefit of the Vendor and may be waived by the Vendor:

- (a) the representations and warranties of the Purchaser herein contained shall be true in all material respects when made and shall remain true as of the Closing Date;
- (b) all obligations of the Purchaser contained in this Agreement to be performed prior to or at Closing shall have been timely performed in all material respects;
- (c) all amounts to be paid by the Purchaser to the Vendor at Closing, including the Purchase Price, shall have been paid to the Vendor in the form stipulated in this Agreement; and
- (d) the Purchaser shall have executed and delivered or caused to have been executed and delivered to the Vendor at or before the Closing all of the documents and deliverables provided for in Section 2.5(b).

If any one or more of the foregoing conditions precedent has or have not been satisfied, complied with, or waived by the Vendor, at or before the Outside Date, the Vendor may terminate this Agreement by written notice to the Purchaser. If the Vendor terminates this Agreement, the Vendor and the Purchaser shall be released and discharged from all obligations hereunder except as provided in Sections 10.12 and 10.15.

3.5 Efforts to Fulfil Conditions Precedent

The Purchaser and the Vendor shall proceed diligently and in good faith and use all reasonable efforts to satisfy and comply with and assist in the satisfaction and compliance with the foregoing conditions precedent.

ARTICLE 4 **REPRESENTATIONS AND WARRANTIES**

4.1 Representations and Warranties of the Vendor

The Vendor makes only the following representations to the Purchaser, which representations shall not survive Closing, and the Vendor agrees and acknowledges that the Purchaser is relying on such representations and warranties for the purposes of entering into this Agreement:

- (a) pursuant to the Receivership Order, it has, among other things, been appointed by the Court as receiver and manager of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof, and such appointment is valid and subsisting and has not been varied or amended, except as set forth in the Receivership Order; and
- (b) this Agreement is, and all documents executed and delivered pursuant to this Agreement will be, legal, valid and binding obligations of the Vendor enforceable against it in accordance with their terms.

4.2 Representations and Warranties of the Purchaser

The Purchaser makes the following representations and warranties to the Vendor, which representations and warranties shall not survive Closing, and agrees that the Vendor is relying on such representations and warranties for the purposes of entering into this Agreement:

- (a) the Purchaser is a corporation duly organized, validly existing and is authorized to carry on business in the provinces in which the Lands are located;
- (b) the Purchaser has good right, full power and absolute authority to purchase and acquire the interest of the Vendor in and to the Assets according to the true intent and meaning of this Agreement;
- (c) the execution, delivery and performance of this Agreement has been duly and validly authorized by any and all requisite corporate, shareholders', directors' or equivalent actions and will not result in any violation of, be in conflict with, or constitute a default under, any articles, charter, bylaw or other governing document to which the Purchaser is bound;
- (b) except for: (i) obtaining the Vesting Order; (ii) completing transfers of the AER Licence Transfers and any consents, approvals or waivers that are required in connection with the assignment of an Assumed Contract; and (iii) as otherwise expressly provided in this Agreement; the execution, delivery and performance of this Agreement by it does not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any Governmental Authority, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation by the Purchaser of this Transaction;
- (d) the execution, delivery and performance of this Agreement will not result in any violation of, be in conflict with, or constitute a default under, any term or provision of any agreement or document to which the Purchaser is party or by which the Purchaser is bound, nor under any judgement, decree, order, statute, regulation, rule or licence applicable to the Purchaser;

- (e) this Agreement and any other agreements delivered in connection herewith constitute valid and binding obligations of the Purchaser enforceable against the Purchaser in accordance with their terms;
- (f) no authorization or approval or other action by, and no notice to or filing with, any Governmental Authority or regulatory body exercising jurisdiction over the Assets is required for the due execution, delivery and performance by the Purchaser of this Agreement, other than authorizations, approvals or exemptions from requirements previously obtained and currently in force or to be obtained prior to or after Closing;
- (g) the Purchaser has adequate funds available in an aggregate amount sufficient to pay: (i) all amounts required to be paid by the Purchaser under this Agreement; and (ii) all expenses which have been or will be incurred by the Purchaser in connection with this Agreement and the Transaction;
- (h) the Purchaser has not incurred any obligation or liability, contingent or otherwise, for brokers' or finders' fees in respect of this Agreement or the Transaction for which the Vendor shall have any obligation or liability;
- (i) the Purchaser is acquiring the Assets in its capacity as principal and is not purchasing the Assets for the purpose of resale or distribution to a Third Party, and is dealing at arm's length with the Vendor (as such term is interpreted by the Regulator);
- (j) the Purchaser holds a business associate code from the Regulator and Purchaser will meet all eligibility requirements of (i) the Regulator pursuant to the Regulator's Directive 067, and (ii) any other Governmental Authorities as required as of the Closing Date, to purchase and accept a transfer of the Assets as contemplated hereunder;
- (k) in connection with assuming the AER Licences, the Purchaser will not have a Liability Management Rating (or equivalent rating under any successor program, as applicable) in respect of its assets and interests located in the Province of Alberta that is less than the amount required by the Regulator (including in a discretionary confirmation issued by the Regulator, as applicable);
- (l) the Purchaser is not a non-resident of Canada within the meaning of such term under the Tax Act; and
- (m) the Purchaser is not a non-Canadian person for the purposes of the *Investment Canada Act*.

4.3 Limitation of Representations by the Vendor

- (a) Subject to Section 4.1, the Vendor expressly negates any representations or warranties, whether written or verbal, made by the Vendor, the Debtor or their Representatives and in particular, without limiting the generality of the foregoing, the Vendor disclaims all liability and responsibility for any such representation, warranty, statement or information made or communicated, whether verbal or in writing, to the Purchaser or any of its Representatives. The Vendor's Interest in and to the Assets shall be purchased on a strictly "as is, where is" basis and there are no collateral agreements, conditions, representations or warranties of any nature whatsoever made by the Vendor, express or implied, arising at law, by statute, in equity or otherwise, with respect to the Assets and in particular, without limiting the generality of the foregoing, there are no collateral

agreements, conditions, representations or warranties made by the Vendor, express or implied, arising at law, by statute, in equity or otherwise with respect to:

- (i) any estimates of the value of the Assets or the revenues or cash flows from future operation of the Assets;
- (ii) the quality, condition, fitness or merchantability of any tangible depreciable equipment or property interests which comprise the Assets (including the Tangibles);
- (iii) the accuracy or completeness of the Data Room Information or any other data materials, representations, warranties or statements made, direct or indirect, express or implied, or information supplied related to the Assets (whether supplied by the Vendor, the Debtor, their Representatives or otherwise);
- (iv) the suitability of the Assets for any purpose;
- (v) compliance with Applicable Laws; or
- (vi) the title and interest of the Vendor and/or the Debtor in and to the Assets.

(b) Without restricting the generality of the foregoing, the Purchaser acknowledges that it has made its own independent investigation, analysis, evaluation and inspection of the Vendor's or the Debtor's interests in and to the Assets and the state and condition thereof and that it is satisfied with, and has relied solely on, such investigation, analysis, evaluation and inspection as to its assessment of the condition, quantum and value of the Assets.

(c) The Purchaser forever releases and discharges the Vendor, the Debtor and their Representatives from any Claims and all liability to the Purchaser or the Purchaser's assigns and successors, as a result of the use or reliance upon advice, information or materials pertaining to the Assets which was delivered or made available to the Purchaser by the Vendor, the Debtor or their Representatives prior to or pursuant to this Agreement, including any evaluations, projections, reports, assessments and interpretive or non-factual materials prepared by or for the Vendor and/or the Debtor, or otherwise in the Vendor's or the Debtor's possession.

ARTICLE 5 **ENFORCEMENT OF REPRESENTATIONS AND WARRANTIES**

5.1 Enforcement of Representations and Warranties

- (a) The representations and warranties of each Party contained in this Agreement shall merge on Closing and shall thereafter be of no further force and effect. Effective upon the occurrence of Closing, each Party hereby releases and forever discharges each other Party from any breach of any representations and warranties set forth in this Agreement. For greater certainty, none of representations and warranties contained in Article 4 shall survive Closing and, the Purchaser's sole recourse for any material breach of representation or warranty by the Vendor shall be for the Purchaser to not complete the Transaction in accordance with this Agreement.
- (b) The representations and warranties of the Vendor made herein or pursuant hereto are made for the exclusive benefit of the Purchaser, and the representations and warranties

of the Purchaser made herein or pursuant hereto are made for the exclusive benefit of the Vendor, as the case may be, and are not transferable and may not be made the subject of any right of subrogation in favour of any other Person.

(c) The Parties expressly acknowledge and agree that the provisions of this Article 5 and the limit on each Party's liability set out in this Article 5 are intended by the Parties as a limitation of liability that represents a fair and equitable allocation of the risks and liabilities that each Party has agreed to assume in connection with the subject matter hereof and is not an agreement within the provision of subsection 7(2) of the *Limitations Act* (Alberta).

ARTICLE 6 INDEMNITIES

6.1 Post-Closing Date Indemnity

Provided that Closing has occurred, the Purchaser shall:

- (a) be solely liable and responsible for any and all Losses which the Vendor or the Debtor may suffer, sustain, pay or incur; and
- (b) indemnify, release and save harmless the Vendor, the Debtor and their Representatives from any and all Losses, expenses, Claims, actions, proceedings and demands, whatsoever which may be brought against or suffered by the Vendor or the Debtor or which they may sustain, pay or incur,

as a result of any matter or thing resulting from, attributable to or connected with the Assets and arising or accruing after the Closing Date.

6.2 Environmental Matters and Abandonment and Reclamation Obligations

The Purchaser acknowledges that, insofar as the Environmental condition of the Assets is concerned, the Purchaser is acquiring the Assets pursuant hereto on an "as is, where is" basis. The Purchaser acknowledges that it is familiar and satisfied with the condition of the Assets, including the past and present use of the Lands or the Tangibles, that the Vendor has provided the Purchaser with a reasonable opportunity to inspect the Assets at the sole cost, risk and expense of the Purchaser (insofar as the Vendor could reasonably provide such access) and that the Purchaser is not relying upon any representation or warranty of the Vendor as to the Environmental condition of the Assets, or as to any Environmental Liabilities or Abandonment and Reclamation Obligations. Provided that Closing has occurred, the Purchaser shall:

- (a) be solely liable and responsible for any and all Losses which the Vendor and their Representatives may suffer, sustain, pay or incur; and
- (b) indemnify, release and save harmless the Vendor, the Debtor and their Representatives from any and all Losses, actions, proceedings and demands, whatsoever which may be brought against or suffered by the Vendor or the Debtor or which the Vendor or the Debtor may sustain, pay or incur,

as a result of any matter or thing arising out of, resulting from, attributable to or connected with any Environmental Liabilities or any Abandonment and Reclamation Obligations. Once Closing has occurred, the Purchaser shall be solely responsible for all Environmental Liabilities and all Abandonment and Reclamation Obligations both to Third Parties and as between the Vendor and the Purchaser

(whether such Environmental Liabilities and Abandonment and Reclamation Obligations occur or accrue prior to, on or after the Effective Time), and hereby releases the Vendor and the Debtor from any Claims the Purchaser may have against the Vendor and/or the Debtor with respect to all such liabilities and responsibilities. Without restricting the generality of the foregoing, the Purchaser shall be responsible for all Environmental Liabilities and Abandonment and Reclamation Obligations (whether such Environmental Liabilities and all Abandonment and Reclamation Obligations occur or accrue prior to, on or after the Effective Time) in respect of the Lands and the Tangibles. This assumption of liability and indemnity by the Purchaser shall apply without limit and without regard to cause or causes, including the negligence (whether sole, concurrent, gross, active, passive, primary or secondary) of the Vendor but excluding the wilful or wanton misconduct or recklessness of any or all of the Vendor or the Debtor, their Representatives and their respective successors and assigns or any other Person or otherwise. The Purchaser further acknowledges and agrees that it shall not be entitled to any rights or remedies as against the Vendor, the Debtor or their Representatives, or their respective successors and assigns under the common law or statute pertaining to any Environmental Liabilities and Abandonment and Reclamation Obligations, including the right to name any or all of the Vendor, the Debtor, their Representatives, and their respective successors and assigns as a 'third party' to any action commenced by any Person against the Purchaser. The Purchaser's assumption of liability and the indemnity obligations set forth in this Section 6.2 shall survive the Closing Date indefinitely.

6.3 Third Party Claims

The following procedures shall be applicable to any Claim by the Vendor, the Debtor, or any of them (the "**Indemnitee**") for indemnification pursuant to this Agreement from the Purchaser (the "**Indemnitor**") in respect of any Losses in relation to a Third Party (a "**Third Party Claim**"):

- (a) upon the Third Party Claim being made against or commenced against the Indemnitee, the Indemnitee shall within 30 Business Days of notice thereof provide written notice thereof to the Indemnitor. The notice shall describe the Third Party Claim in reasonable detail and indicate the estimated amount, if practicable, of the indemnifiable Losses that have been or may be sustained by the Indemnitee in respect thereof. If the Indemnitee does not provide notice to the Indemnitor within such 30 Business Day period, then such failure shall only lessen or limit the Indemnitee's rights to indemnity hereunder to the extent that the defence of the Third Party Claim was prejudiced by such lack of timely notice;
- (b) if the Indemnitor acknowledges to the Indemnitee in writing that the Indemnitor is responsible to indemnify the Indemnitee in respect of the Third Party Claim pursuant hereto, the Indemnitor shall have the right to take either or both of the following actions:
 - (i) assume carriage of the defence of the Third Party Claim using legal counsel of its choice and at its sole cost; and/or
 - (ii) settle the Third Party Claim, provided the Indemnitor pays the full monetary amount of the settlement and the settlement does not impose any restrictions or obligations on the Indemnitee, and provided a full and final unconditional release in favour of the Vendor and/or the Debtor, as applicable, and their respective Representatives is obtained in form and substance satisfactory to the Vendor, acting reasonably;
- (c) if the Indemnitor acknowledges to the Indemnitee in writing that the Indemnitor is responsible to indemnify the Indemnitee in respect of a Third Party Claim pursuant hereto, the Indemnitee shall not enter into any settlement, consent order or other

compromise with respect to the Third Party Claim without the prior written consent of the Indemnitor (which consent shall not be unreasonably withheld, conditioned or delayed), unless the Indemnitee waives its rights to indemnification in respect of the Third Party Claim;

- (d) each Party shall co-operate with the other Party in the defence of the Third Party Claim, including making available such of its personnel to the other Party and its Representatives whose assistance, testimony or presence is of material assistance in evaluating and defending the Third Party Claim;
- (e) upon payment of the Third Party Claim, the Indemnitor shall be subrogated to all Claims the Indemnitee may have relating thereto. The Indemnitee shall give such further assurances and do such things to co-operate with the Indemnitor to permit the Indemnitor to pursue such subrogated Claims as reasonably requested from it; and
- (f) if the Indemnitor has paid an amount pursuant to the indemnification obligations herein and the Indemnitee shall subsequently be reimbursed from any source in respect of the Third Party Claim from any Third Party which results in the Indemnitee receiving, in the aggregate, more than the amount of the Third Party Claim, the Indemnitee shall promptly pay the amount of the reimbursement (including interest actually received) in excess of the Third Party Claim to the Indemnitor, net of taxes required to be paid by the Indemnitee as a result of any such receipt.

ARTICLE 7 **MAINTENANCE OF ASSETS**

7.1 Maintenance of Assets

From the date hereof until the Closing Date:

- (a) the Vendor shall use reasonable commercial efforts, to the extent that the nature of its interest permits, and subject to the Receivership Order and any other agreements and documents to which the Assets are subject, to:
 - (i) maintain the Assets in a proper and prudent manner in material compliance with all Applicable Laws and directions of Governmental Authorities; and
 - (ii) pay or cause to be paid all costs and expenses relating to the Assets which become due from the date hereof to the Closing Date, including all insurance premiums payable in connection therewith;
- provided that nothing contained in the foregoing or elsewhere in this Agreement shall obligate the Vendor to post security, make any other financial contribution or file any undertaking with the Regulator with respect to the Regulator's Licensee Liability Rating Program or successor program, as applicable; and
- (b) except with the prior written consent of the Purchaser or otherwise in the ordinary course of business, the Vendor shall not dispose of any interest in the Assets or enter into any material transaction affecting any of the Assets or which interferes with or is inconsistent with the completion of the Transaction.

7.2 Consent of Purchaser

Notwithstanding Section 7.1, the Vendor shall not from the date hereof to the Closing Date, without the written consent of the Purchaser, which consent shall not be unreasonably withheld, conditioned or delayed:

- (a) make any commitment or propose, initiate or authorize any capital expenditure with respect to the Assets of which the Vendor's share is in excess of \$25,000, except: (i) in case of an emergency; (ii) as may be reasonably necessary to protect or ensure life and safety; (iii) to preserve the Assets or title to the Assets; or (iv) in respect of amounts which the Vendor may be committed to expend or be deemed to authorize for expenditure without its consent; provided, however, that should the Purchaser withhold its consent or fail to provide its consent in a timely manner and a reduction in the value of the Assets results, there shall be no abatement or reduction in the Purchase Price;
- (b) surrender or abandon any of the Assets, unless an expenditure of money is required to avoid the surrender or abandonment and the Purchaser does not provide same to the Vendor in a timely fashion, in which event the Assets in question shall be surrendered or abandoned without abatement or reduction in the Purchase Price;
- (c) other than in ordinary course of business, materially amend, terminate or enter into any new material agreement or commitment relating to the Assets; or
- (d) sell, encumber or otherwise dispose of any of the Assets or any part or portion thereof excepting: sales of non-material obsolete or surplus equipment; or sales of the Petroleum Substances in the normal course of business.

7.3 Proposed Actions

If an operation or the exercise of any right or option respecting the Assets is proposed in circumstances in which such operation or the exercise of such right or option would result in the Purchaser incurring an obligation pursuant to Section 7.2, the following shall apply to such operation or the exercise of such right or option (hereinafter referred to as the "**Proposal**"):

- (a) the Vendor shall promptly give the Purchaser notice of the Proposal, describing the particulars in reasonable detail;
- (b) the Purchaser shall, not later than 48 hours prior to the time the Vendor is required to make its election with respect to the Proposal, advise the Vendor, by notice, whether the Purchaser wishes the Vendor to exercise the Vendor's rights with respect to the Proposal on the Purchaser's behalf, provided that the Purchaser's failure to make such election within such period shall be deemed to be the Purchaser's election to participate in the Proposal;
- (c) the Vendor shall make the election authorized (or deemed to be authorized) by the Purchaser with respect to the Proposal within the period during which the Vendor may respond to the Proposal; and
- (d) the Purchaser's election (including its deemed election) to not participate in any Proposal required to preserve the existence of any of the Assets shall not entitle the Purchaser to any reduction of the Purchase Price if the Vendor's Interest therein is terminated as a result of such election and such termination shall not constitute a failure of the Vendor's representatives and warranties relating to such Assets.

7.4 Post-Closing Transition

Following Closing and to the extent to which the Purchaser must be novated into operating agreements and other agreements or documents to which the Assets are subject, until the novation has been effected:

- (a) the Vendor shall not initiate any operation with respect to the Assets, except upon receiving the Purchaser's written instructions, or if the Vendor reasonably determines that such operation is required for the protection of life or property, in which case the Vendor may take such action as it reasonably determines is required, without the Purchaser's written instructions, and shall promptly notify the Purchaser of such intention or actions and of the Vendor's estimate of the costs and expenses therewith associated;
- (b) the Vendor shall forthwith deliver, or cause to be delivered, to the Purchaser all revenues, proceeds and other benefits received by the Vendor with respect to the Assets, provided that the Vendor shall be permitted to deduct from such revenues, proceeds and other benefits, any other costs and expenses which it incurs as a result of such delivery to the Purchaser;
- (c) the Vendor shall, in a timely manner, deliver to the Purchaser all Third Party notices and communications, including authorizations for expenditures and mail ballots and all notices and communications received in respect of the Assets or events and occurrences affecting the Assets, and the Vendor shall respond to such notices pursuant to the Purchaser's written instructions, if received on a timely basis, provided that the Vendor may refuse to follow any instructions which it reasonably believes to be unlawful, unethical or in conflict with any applicable agreement or contract, and provided that nothing shall preclude the Vendor from taking such actions as the Vendor reasonably determines are necessary for the protection of life or property, or as are required by all Applicable Laws, rules, regulations, orders and directions of Governmental Authorities and other competent authorities; and
- (d) the Vendor shall, in a timely manner, deliver to Third Parties all such notices and communications which the Purchaser may reasonably request and all such monies and other items as the Purchaser may reasonably provide in respect of the Assets, provided that the Vendor may (but shall not be obligated to) refuse to follow instructions which it reasonably believes to be unlawful, unethical or in conflict with any applicable agreement or contract.

7.5 Material Transfers and Conveyances

(a) AER License Transfers

- (i) The Vendor acknowledges that the Purchaser will request that the Regulator grant the Purchaser a discretionary waiver from the requirements of the Regulator's Bulletin 2016-21 with respect to the AER Licence Transfers. The Vendor shall provide any information and documentation to the Regulator as may reasonably be required to be provided in connection with such discretionary waiver request made by the Purchaser.
- (ii) Upon the Regulator confirming to the Parties that it is permissible to do so, the Vendor, in its capacity as receiver and manager of the assets, undertakings and properties of Accel Holdings, and not in its personal capacity, shall:

- (A) submit electronic transfers to the Regulator in respect of licence #F21501 currently held by Accel Holdings; and
- (B) provide all reasonable assistance to the Purchaser to complete all licence transfer applications required to be processed by the Regulator in respect of licence #F13234 in respect of the Sour Gas Plant, which was contemplated to be transferred to Accel Holdings pursuant to an asset purchase agreement dated May 10, 2018 between Accel Holdings and ARC Resources Ltd. but has not been processed by the Regulator to date. The Vendor and the Purchaser shall, where reasonably practicable and subject to the direction and discretion of the Regulator with respect to such transfers, use skip transfers in connection with the licence transfer application contemplated in this Section 7.5(a)(ii)(B) and any conveyances related thereto, such that the legal title to licence #F13234 shall be transferred by ARC Resources Ltd. directly to the Purchaser.

(iii) The Purchaser shall accept or ratify such AER Licence Transfers without delay, provided that, if the Purchaser or the Vendor in good faith determine or believe that any of the AER Licence Transfers are not complete and accurate, or the Regulator refuses to process any such AER Licence Transfers because of some defect therein, the Parties shall cooperate to duly complete or to correct such incomplete or inaccurate AER Licence Transfers as soon as practicable and, thereafter, the Vendor shall promptly re-submit such AER Licence Transfers and the Purchaser shall accept or ratify such re-submitted AER Licence Transfers without delay. The Purchaser shall provide any information and documentation in respect of such AER Licence Transfers to the Regulator which are required to be provided by the transferee in connection with the foregoing.

(iv) The Purchaser shall be responsible for making any deposit or furnishing any other form of security as may be required by the Regulator in connection with the AER Licence Transfers, subject to the terms or requirements of any discretionary waiver obtained from the Regulator in accordance with Section 7.5(a)(i), and otherwise as applicable. All processing fees in respect of the AER Licence Transfers (including any fees required to be paid for expedited service) shall be for Purchaser's account.

(v) The Purchaser shall bear all costs incurred in connection with the AER Licence Transfers and in preparing and registering any further assurances required in connection with such conveyancing.

(b) Crown Surface Rights Transfers

(i) PriorIf any Surface Rights are identified by the Purchaser or the Vendor following execution of this Agreement and prior to Closing, the Vendor, in its capacity as receiver and manager of the assets, undertakings and properties of Accel Holdings, and not in its personal capacity, shall initiate requests for the transfers from Accel Holdings to the Purchaser of ~~the Crown~~any such Surface Rights ~~on Alberta Energy's Electronic Transfer System~~ and the Purchaser shall accept the same without delay.

(ii) The Purchaser shall bear all costs incurred in connection with the Crowntransfers of any Surface Rights ~~Transfers~~ and in preparing and

registering any further assurances required in connection with such conveyancing.

7.6 Vendor Deemed Purchaser's Agent

- (a) Insofar as the Vendor maintains the Assets and takes actions in relation thereto on the Purchaser's behalf pursuant to this Article 7, the Vendor shall be deemed to have been the Purchaser's agent hereunder. The Purchaser ratifies all actions taken by the Vendor or refrained from being taken by the Vendor pursuant to this Article 7 in such capacity during such period, with the intention that all such actions shall be deemed to be the Purchaser's actions.
- (b) Insofar as the Vendor participates in either operations or the exercise of rights or options as the Purchaser's agent pursuant to this Article 7, the Vendor may require the Purchaser to secure costs to be incurred by the Vendor on the Purchaser's behalf pursuant to such election in such manner as may be reasonably appropriate in the circumstances.
- (c) The Purchaser shall indemnify the Vendor and their Representatives against all Losses which the Vendor or its Representatives may suffer or incur as a result of the Vendor maintaining the Assets as the Purchaser's agent pursuant to this Article 7 or as a result of the Vendor taking or omitting to take any action in accordance with the Purchaser's instruction (including any election deemed to be made pursuant to Section 7.3(b)) or concurrence, or otherwise in accordance with this Agreement. The Purchaser's indemnity obligations in this Section 7.6(c) shall survive the Closing Date indefinitely.

ARTICLE 8 SALES PROCESS

8.1 Sales Process

This Agreement shall constitute the Stalking Horse APA for the purposes of the Sales Process (as described in the Stalking Horse Procedure). Provided the Sales Process Order is granted by the Court, the obligation of the Purchaser to purchase the Assets, assume the Assumed Liabilities and Assumed Contracts and the obligation of the Vendor to sell the Assets pursuant hereto is subject to the Sales Process and the satisfaction of all conditions therein. Notwithstanding the foregoing, the Parties hereby acknowledge and agree as follows:

- (c) The Vendor shall prepare all materials, and shall as soon as reasonably practicable after execution of this Agreement: (i) bring an application for the issuance of the Sales Process Order in the Court; and (ii) serve such parties as the Court and the Purchaser, acting reasonably, may require for applications and motions seeking the entry of the Sales Process Order. The Purchaser, at its own expense, shall promptly provide to the Vendor all such information and assistance within the Purchaser's power as the Vendor may reasonably request to obtain the Sales Process Order, including such information as may be required to reasonably evaluate the Purchaser's financial ability to perform its obligations hereunder. The application for the Sales Process Order may be adjourned or rescheduled by the Vendor or its Representatives upon notice to the Purchaser.
- (d) Provided that the Sales Process Order is granted by the Court, the Vendor shall comply with the procedures and timelines set out in the Stalking Horse Procedure and shall not waive any provision of, or apply to the Court to amend, or consent to any application by any Person for the amendment of, the Stalking Horse Procedure without the prior written consent of the Purchaser, such consent not to be unreasonably withheld or delayed.

(e) In the event that:

- (i) the Vendor determines that none of the bids made by Third Parties (if any) pursuant to the Sales Process constitute a Superior Offer;
- (ii) a Successful Bid is made by the Purchaser pursuant to the Sales Process;
- (iii) a Successful Bid by a Third Party is not approved by the Court; or
- (iv) a Successful Bid by a Third Party is not completed;

then, as soon as reasonably practicable, each of the Vendor and the Purchaser shall take all actions reasonably necessary to have this Agreement and the Transaction approved pursuant to the Vesting Order and, specifically, the Vendor shall: (A) bring an application for the issuance of the Vesting Order in the Court; and (B) serve such parties as the Court and the Purchaser, acting reasonably, may require for applications and motions seeking the entry of the Vesting Order. The Purchaser, at its own expense, shall promptly provide to the Vendor all such information and assistance within the Purchaser's power as the Vendor may reasonably request to obtain the Vesting Order, including such information as may be required to reasonably evaluate the Purchaser's financial ability to perform its obligations hereunder. The application for the Vesting Order may be adjourned or rescheduled by the Vendor or its Representatives upon notice to the Purchaser.

- (f) In the event that a Superior Offer by a Third Party becomes a Successful Bid that is approved by the Court and is subsequently consummated, then, immediately following the completion of the transaction contemplated by the Successful Bid, the Vendor shall pay to the Purchaser a break fee in the amount of \$1,000,000 (the "**Break Fee**") from the proceeds of the Successful Bid.
- (g) Upon the successful completion of the transaction contemplated by the Successful Bid by a Third Party: (i) this Agreement shall automatically terminate; and (ii) the Vendor and the Purchaser shall have no further liabilities or obligations to each other with respect to this Agreement or the Transaction, other than those set forth in Section 10.14 and the Break Fee described in Section 8.1(d).
- (h) Nothing in this Agreement shall prohibit the Vendor from disclosing this Agreement, the terms and conditions of the Transaction or any other documents or information required or desirable to be disclosed pursuant to, and for the purposes of, the Sales Process.

ARTICLE 9 **PURCHASER'S REVIEW AND ACCESS TO BOOKS AND RECORDS**

9.1 Vendor to Provide Access

Prior to Closing, the Vendor shall, and shall cause the Debtor to, subject to all contractual and fiduciary obligations, at the Calgary offices of the Vendor and the Debtor during normal business hours, provide reasonable access for the Purchaser and its Representatives to the Books and Records to the extent they relate directly to the Assets and are in possession of the Vendor and/or the Debtor, as well as physical access to the Assets (insofar as the Vendor can reasonably provide such access, with such access to be at the Purchaser's sole risk, expense and liability) to facilitate the Purchaser's review of the Assets and title thereto for the purpose of completing this Transaction. The Purchaser shall indemnify and save harmless the Vendor and the Debtor from and against all liabilities, claims and causes of action for personal injury,

death or property damage occurring on or to such property as a result of such entry onto the premises, except to the extent that such liabilities, claims and causes of action are caused by the negligence or wilful misconduct of the Vendor and/or the Debtor or their Representatives. The Purchaser shall comply fully with all lawful rules, regulations and instructions issued by the Vendor and the Debtor regarding the Purchaser's actions while upon, entering or leaving such properties. The Purchaser's obligations set forth in this Section 9.1 shall survive the Closing Date indefinitely.

9.2 Access to Information

After Closing and subject to contractual restrictions in favour of Third Parties relative to disclosure, the Purchaser shall, on request from the Vendor, provide reasonable access to the Vendor's Representatives at the Purchaser's offices, during its normal business hours, to the Books and Records which are then in the possession or control of the Purchaser and to make copies thereof, as the Vendor may reasonably require, including for purposes relating to:

- (a) the Vendor's and the Debtor's possession and/or ownership of the Assets (including taxation matters and liabilities and Claims that arise from or relate to acts, omissions, events, circumstances or operations on or before the Closing Date);
- (b) compliance with Applicable Law; or
- (c) any Claim commenced or threatened by any Third Party against the Vendor and/or the Debtor.

9.3 Maintenance of Information

All of the information, materials and other records delivered to the Purchaser pursuant to the terms hereof shall be maintained in good order and good condition and kept in a reasonably accessible location by the Purchaser for a period of two years from the Closing Date.

ARTICLE 10 GENERAL

10.1 Further Assurances

Each Party will, from time to time and at all times after Closing, without further consideration, do such further acts and deliver all such further assurances, deeds and documents as shall be reasonably required to fully perform and carry out the terms of this Agreement.

10.2 Receiver

The Purchaser acknowledges that the Vendor is acting solely in its capacity as the Court-appointed receiver of the Debtor, and not in its personal capacity. Under no circumstances shall the Vendor or any of its Representatives have any liability pursuant to this Agreement, or in relation to the Transaction whether such liability be in contract, tort or otherwise.

10.3 Entire Agreement

Except for the Receivership Order, the Sale Process Order, and the Vesting Order, the provisions contained in any and all documents and agreements collateral hereto shall at all times be read subject to the provisions of this Agreement and, in the event of conflict, except for the Receivership Order, the Sale Process Order, and the Vesting Order, the provisions of this Agreement shall prevail. In the event that Closing occurs, except for the Receivership Order, the Sale Process Order, and the Vesting Order, this

Agreement supersedes all other agreements (other than the Confidentiality Agreement entered into between the Debtor and the Purchaser and/or one or more of its Affiliates in connection with the Transaction), documents, writings and verbal understandings between the Parties relating to the subject matter hereof and expresses the entire agreement of the Parties with respect to the Transaction herein.

10.4 Governing Law

This Agreement shall, in all respects, be subject to, interpreted, construed and enforced in accordance with and under the laws of the Province of Alberta and the laws of Canada applicable therein and shall, in every regard, be treated as a contract made in the Province of Alberta and all disputes shall be determined within the proceedings bearing Alberta Court of Queen's Bench Court Action: 2001-06201. The Parties irrevocably attorn and submit to the jurisdiction of the courts of the Province of Alberta and courts of appeal therefrom in respect of all matters arising out of this Agreement.

10.5 Consequential Damages

Under no circumstance shall any of the Parties, their Representatives or their respective directors, officers, employees or agents be liable for any punitive, exemplary, consequential, special, incidental or indirect damages (including for greater certainty, any loss of profits) (collectively, "**Consequential Damages**") that may be alleged to result, in connection with, arising out of, or relating to this Agreement or the Transaction, other than Consequential Damages for which the Vendor and/or the Debtor are liable as a result of a Third Party Claim (which liability of the Vendor and or the Debtor shall be subject to and recoverable under Article 6 (Indemnification)).

10.6 Assignment and Enurement

The Purchaser shall not, without the Vendor's prior written consent, assign any right or interest in this Agreement, except that the Purchaser shall have the right to assign any or all of its rights, interests or obligations hereunder without the consent of the Vendor, to one or more Affiliates of the Purchaser, provided that: (a) such Affiliate agrees to be bound by the terms of this Agreement; (b) the Purchaser shall remain liable hereunder for any breach of the terms of this Agreement by such Affiliate; (c) such assignment shall not release the Purchaser from any obligation or liability hereunder in favour of the Vendor; and (d) the Purchaser shall acknowledge and confirm its continuing obligations in favour of the Vendor in an assignment and assumption agreement in form and substance satisfactory to the Vendor. This Agreement shall be binding upon and shall enure to the benefit of the Parties and their respective administrators, trustees, receivers, successors and permitted assigns.

10.7 Time of Essence

Time is of the essence in this Agreement.

10.8 Notices

The addresses, fax numbers and e-mail addresses of the Parties for delivery of notices hereunder shall be as follows:

Vendor: PricewaterhouseCoopers Inc.
3100, 111 5th Avenue SW
Calgary, AB T2P 5L3

Attention: Rick Osuna
Fax: (403) 781-1825
Email: rick.f.osuna@pwc.com

Purchaser: Canadian Future Fuels Corporation
2830, 181 Bay Street
Toronto, Ontario M5J 2T3

Attention: Casey Howell
Fax: (416) 981-3393
Email: casey@thirdeyecapital.com

All notices, communications and statements required, permitted or contemplated hereunder shall be in writing, and shall be delivered as follows:

- (a) by delivery to a Party between 8:00 a.m. and 4:00 p.m. on a Business Day at the address of such Party for notices, in which case, the notice shall be deemed to have been received by that Party when it is delivered;
- (b) by facsimile or e-mail to a Party to the facsimile number of such Party for notices, in which case, if the notice was faxed or e-mailed prior to 4:00 p.m. on a Business Day, the notice shall be deemed to have been received by that Party when it was faxed and if it is faxed or e-mailed on a day which is not a Business Day or is faxed or e-mailed after 4:00 p.m. on a Business Day, it shall be deemed to have been received on the next following Business Day; or
- (c) except in the event of an actual or threatened postal strike or other labour disruption that may affect mail service, by first class registered postage prepaid mail to a Party at the address of such Party for notices, in which case, the notice shall be deemed to have been received by that Party on the fourth Business Day following the date of mailing.

A Party may from time to time change its address for service, facsimile number or e-mail address for service or designated representative by giving written notice of such change to the other Party.

10.9 Invalidity of Provisions

In case any of the provisions of this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

10.10 Waiver

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party and made in accordance with the Agreement. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

10.11 Amendment

This Agreement shall not be amended except by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party.

10.12 Confidentiality and Public Announcements

Until Closing has occurred, each Party shall keep confidential all information obtained from the other Party in connection with the Assets and this Agreement, and shall not release any information concerning this Agreement and the Transaction without the prior written consent of the other Party, which consent shall not be unreasonably withheld. Nothing contained herein shall prevent a Party at any time from furnishing information: (i) to any Governmental Authority or to the public if required by Applicable Law (provided that Purchaser shall advise the Vendor in advance of the content of any such public statement); (ii) in connection with obtaining either the Sale Process Order or the Vesting Order; or (iii) as required to the Debtor's secured creditors.

10.13 Sealing Order

The Vendor may, at its discretion, apply to the Court for a sealing order with respect to a report prepared by the Vendor containing the financial and other confidential details of this Transaction (the "**Confidential Report**"), such order sealing the Vendor's Confidential Report and the confidential information contained therein from the public court file for the period directed by the Court. Pursuant to the terms of such sealing order applied for by the Vendor, only the judge presiding over the receivership proceedings of the Vendor, the Purchaser and their respective Representatives and the secured creditors of the Debtor who have executed confidentiality agreements, and subject to the terms of those confidentiality agreements, shall have access to the Vendor's Confidential Report and the confidential information contained therein.

10.14 Termination

This Agreement may be terminated at any time prior to Closing:

- (a) by mutual written agreement of the Vendor and the Purchaser;
- (b) by either the Vendor or the Purchaser pursuant to the provisions of Sections 3.2, 3.3 or 3.4, as applicable; or
- (c) pursuant to the provisions of Section 8.1(e).

Notwithstanding any termination of this Agreement, the provisions of Section 10.5 (Consequential Damages), Section 10.12 (Confidentiality and Public Announcements) and Section 10.15 (Personal Information) shall remain in full force and effect.

10.15 Personal Information

The Purchaser covenants and agrees to use and disclose any personal information contained in any of the books, records or files transferred to the Purchaser or otherwise obtained or reviewed by the Purchaser in connection with the Transaction only for those purposes for which it was initially collected from or in respect of the individual to which such information relates, unless:

- (a) either the Vendor or the Purchaser has first notified such individual of such additional purpose, and where required by the Applicable Laws, obtained the consent of such individual to such additional purpose; or
- (b) such use or disclosure is permitted or authorized by Applicable Laws, without notice to, or consent from, such individual.

- (c) the Purchaser's obligations set forth in this Section 10.15 shall survive the Closing Date indefinitely.

(Remainder of page intentionally left blank)

10.16 Counterpart Execution

This Agreement may be executed and delivered in counterpart and transmitted by facsimile or other electronic means and all such executed counterparts, including electronically transmitted copies of such counterparts, shall together constitute one and the same agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

**PRICEWATERHOUSECOOPERS INC. LIT,
SOLELY IN ITS CAPACITY AS RECEIVER
AND MANAGER OF THE ASSETS,
UNDERTAKINGS AND PROPERTIES OF
ACCEL CANADA RESOURCES LIMITED,
AND NOT IN ITS PERSONAL OR
CORPORATE CAPACITY**

**CANADIAN FUTURE FUELS
CORPORATION**

Per:

Name:
Title:

Per:

Name:
Title:

Appendix C

Executed Stalking Horse APA

PURCHASE AND SALE AGREEMENT

BETWEEN:

**PRICEWATERHOUSECOOPERS INC. LIT, SOLELY IN ITS CAPACITY AS RECEIVER AND
MANAGER OF THE ASSETS, UNDERTAKINGS AND PROPERTIES OF ACCEL CANADA
RESOURCES LIMITED, AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

- and -

CANADIAN FUTURE FUELS CORORATION

Dated:

August 21, 2020

TABLE OF CONTENTS

	Pg. No.
ARTICLE 1 INTERPRETATION.....	2
1.1 Definitions.....	2
1.2 Headings.....	12
1.3 Interpretation Not Affected by Headings	12
1.4 Plurals and Gender	12
1.5 Schedules.....	12
1.6 Damages	13
1.7 Derivatives	13
1.8 Interpretation if Closing Does Not Occur	13
1.9 Conflicts	13
1.10 Currency	13
ARTICLE 2 PURCHASE AND SALE AND CLOSING	13
2.1 Purchase and Sale.....	13
2.2 Purchase Price	13
2.3 Allocation of Purchase Price.....	14
2.4 Assumed Liabilities and Excluded Liabilities.....	14
2.5 Closing	15
2.6 Specific Conveyances	16
2.7 Miscellaneous Interests	16
2.8 Form of Payment.....	16
2.9 Taxes	16
ARTICLE 3 CONDITIONS OF CLOSING.....	18
3.1 Required Consents.....	18
3.2 Mutual Conditions.....	18
3.3 Purchaser's Conditions	19
3.4 Vendor's Conditions	19
3.5 Efforts to Fulfil Conditions Precedent	20
ARTICLE 4 REPRESENTATIONS AND WARRANTIES.....	20
4.1 Representations and Warranties of the Vendor.....	20
4.2 Representations and Warranties of the Purchaser	20
4.3 Limitation of Representations by the Vendor	22
ARTICLE 5 ENFORCEMENT OF REPRESENTATIONS AND WARRANTIES	23
5.1 Enforcement of Representations and Warranties	23
ARTICLE 6 INDEMNITIES	23
6.1 Post-Closing Date Indemnity	23
6.2 Environmental Matters and Abandonment and Reclamation Obligations.....	23
6.3 Third Party Claims	24
ARTICLE 7 MAINTENANCE OF ASSETS.....	25
7.1 Maintenance of Assets	25
7.2 Consent of Purchaser.....	26
7.3 Proposed Actions.....	26
7.4 Post-Closing Transition.....	27
7.5 Material Transfers and Conveyances	28
7.6 Vendor Deemed Purchaser's Agent.....	29
ARTICLE 8 SALES PROCESS	29
8.1 Sales Process	29

ARTICLE 9 PURCHASER'S REVIEW AND ACCESS TO BOOKS AND RECORDS	31
9.1 Vendor to Provide Access	31
9.2 Access to Information	31
9.3 Maintenance of Information	31
ARTICLE 10 GENERAL	32
10.1 Further Assurances	32
10.2 Receiver	32
10.3 Entire Agreement	32
10.4 Governing Law	32
10.5 Consequential Damages	32
10.6 Assignment and Enurement	32
10.7 Time of Essence	33
10.8 Notices	33
10.9 Invalidity of Provisions	34
10.10 Waiver	34
10.11 Amendment	34
10.12 Confidentiality and Public Announcements	34
10.13 Sealing Order	34
10.14 Termination	34
10.15 Personal Information	35
10.16 Counterpart Execution	36

Schedules

<i>Schedule "A"</i>	-	<i>Lands and Facilities</i>
<i>Schedule "B"</i>	-	<i>Assumed Contracts</i>
<i>Schedule "C"</i>	-	<i>Assignment and Assumption Agreement</i>
<i>Schedule "D"</i>	-	<i>General Conveyance</i>
<i>Schedule "E"</i>	-	<i>Form of Bring-Down Certificate</i>
<i>Schedule "F"</i>	-	<i>Form of Vesting Order</i>
<i>Schedule "G"</i>	-	<i>Excluded Assets</i>
<i>Schedule "H"</i>	-	<i>Stalking Horse Procedure</i>

PURCHASE AND SALE AGREEMENT

THIS AGREEMENT made as of August 21, 2020.

BETWEEN:

PRICEWATERHOUSECOOPERS INC. LIT, SOLELY IN ITS CAPACITY AS RECEIVER AND MANAGER OF THE ASSETS, UNDERTAKINGS AND PROPERTIES OF ACCEL CANADA RESOURCES LIMITED, AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY (the "Vendor")

- and -

CANADIAN FUTURE FUELS CORPORATION (the "Purchaser")

WHEREAS:

- A. Pursuant to an order of the Court of Queen's Bench of Alberta in the Judicial District of Calgary, Alberta (the "Court") dated July 15, 2020 (the "Receivership Order"), the Vendor was appointed as the receiver and manager of all of the current and future assets, undertakings and properties of every nature or kind whatsoever, and wherever situate, of Accel Canada Resources Limited (the "Debtor"), including all proceeds thereof;
- B. Third Eye Capital Corporation ("TEC"), together with its Affiliates, has loaned approximately \$30 million to the Debtor pursuant to the ACRL Credit Agreement;
- C. The Purchaser is a special purpose vehicle controlled by funds managed, advised or directed by TEC or its Affiliates;
- D. Prior to Closing, TEC and its Affiliates will assign to the Purchaser, and the Purchaser shall assume all right of repayment of, all outstanding indebtedness owing to TEC and its Affiliates from the Debtor;
- E. the Vendor has determined that it is in the best interests of the creditors and stakeholders of the Debtor to conduct the Sales Process pursuant to which potential bidders may submit bids to purchase the Assets; and
- F. the Purchaser, subject to the Vesting Order, completion of the Sales Process, and determination by the Vendor that none of the aforesaid bids made by Third Parties other than the Purchaser pursuant to the Sales Process constitutes a Superior Offer resulting in a Successful Bid, has agreed to make a "stalking horse bid" to purchase and acquire and the Vendor has agreed to sell, transfer and assign to the Purchaser, all of the Vendor's Interest in and to the Assets and Assumed Liabilities, on the terms and conditions set forth herein.

NOW THEREFORE, THIS AGREEMENT WITNESSETH that in consideration of the premises and the mutual covenants and agreements hereinafter set forth, the Parties have agreed as follows:

ARTICLE 1 **INTERPRETATION**

1.1 Definitions

In this Agreement, unless the context otherwise requires:

- (a) **"Abandonment and Reclamation Obligations"** means all past, present and future obligations in respect of:
 - (i) the proper abandonment of the Facilities;
 - (ii) the closure, decommissioning, dismantling and removal of structures, foundations, buildings, pipelines and equipment pertaining to the Assets; and
 - (iii) the abandonment, restoration, remediation, rehabilitation and reclamation of the surface locations of the Assets, and lands used to gain access thereto, all in accordance with generally accepted oil and gas industry practices in the jurisdiction where the Assets are located, and Applicable Laws;
- (b) **"Accel Energy"** means Accel Energy Canada Limited;
- (c) **"Accel Holdings"** means Accel Canada Holdings Limited;
- (d) **"Accel Receivership Purchase Agreement"** means the asset purchase agreement to be entered into between Canadian Future Fuels Corporation and PricewaterhouseCoopers Inc. LIT, solely in its capacity as receiver and manager of the assets of Accel Holdings and Accel Energy, and not in its personal capacity;
- (e) **"Accounts Receivable"** means all trade and other accounts receivable, notes receivable, unbilled accounts for goods or commodities delivered or work performed in respect of the business and operations of the Debtor, and other debts due and accruing due to the Vendor and/or the Debtor in respect of their business and operations, together with all security or other collateral therefor and any interest for unpaid financing charges accrued thereon;
- (f) **"ACRL Credit Agreement"** means the credit agreement between the Debtor, as borrower, and TEC, as administrative agent and the lenders from time to time party thereto, dated November 9, 2018;
- (g) **"AER Licences"** means licence #F21501 currently held by Accel Holdings and licence #F13234 in respect of the Sour Gas Plant currently held by ARC Resources Ltd.;
- (h) **"AER Licence Transfers"** means the transfers contemplated to be made and accepted in respect of the AER Licences pursuant to Section 7.5(a);
- (i) **"Affiliate"** means, with respect to any Person, any other Person or group of Persons acting in concert, directly or indirectly, that controls, is controlled by or is under common control with such Person. The term **"control"** as used in the preceding sentence means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person whether through ownership or more than 50% of the voting securities of such Person, by contract or otherwise;

- (j) "**Agreement**" means this purchase and sale agreement between the Vendor and the Purchaser, including all Recitals and Schedules attached hereto, and "**this Agreement**", "**herein**", "**hereto**", "**hereof**" and similar expressions mean and refer to this Agreement;
- (k) "**Applicable Law**" means, in relation to any Person, property or circumstance, all laws, statutes, rules, regulations, official directives and orders of Governmental Authorities (whether administrative, legislative, executive or otherwise), including judgments, orders and decrees of courts, commissions or bodies exercising similar functions, as amended, and includes the provisions and conditions of any permit, licence or other governmental or regulatory authorization, that are in effect as at the relevant time and are applicable to such person, property or circumstance;
- (l) "**Assets**" means all of the assets, undertakings and properties of the Debtor, including:
 - (i) the Lands;
 - (ii) the Facilities;
 - (iii) the Tangibles;
 - (iv) the Miscellaneous Interests;
 - (v) all Accounts Receivable;
 - (vi) all Cash and Cash Equivalents;
 - (vii) all Books and Records in the possession of the Receiver, which, as at the date of this Agreement do not include any financial or accounting records;
 - (viii) all rebates payable to the Vendor and/or the Debtor in relation to the operation of the Assets;
 - (ix) agreements (including all software licenses and information technology licenses), documents or data to the extent that they pertain to any intellectual property, owned by a third party, provided that only the licensed interest of the Vendor and/or the Debtor in and to such intellectual property shall form part of the Assets;
 - (x) all rights, Claims, actions and similar rights against any person to the extent related to the Assets or the Assumed Liabilities;
- but excluding, for greater certainty, the Excluded Assets;
- (m) "**Assignment and Assumption Agreement**" means an assignment and assumption agreement evidencing the assignment to the Purchaser of the Vendor's Interest in, to and under the Assumed Contracts and the assumption by the Purchaser of all of the Assumed Liabilities under or in respect of the Assumed Contracts, substantially in the form attached hereto as Schedule "C";
- (n) "**Assumed Contracts**" means the contracts listed on Schedule "B" hereto, which contracts shall be assigned by the Vendor and assumed by the Purchaser in accordance with the terms of this Agreement, the relevant contracts or otherwise pursuant to the Vesting Order or other order of the Court in form and substance satisfactory to the Parties;

- (o) **"Assumed Liabilities"** means, collectively, only the following Liabilities:
 - (i) all Environmental Liabilities and Abandonment and Reclamation Obligations, subject to Section 6.2; and
 - (ii) any Liabilities of the Vendor and/or the Debtor under Assumed Contracts;
 - (iii) all real property Taxes with respect to the Assets which arise or accrue on or after the Closing Date;
 - (iv) to the extent not already described in subsections (i) through (iv) of this definition above, all Liabilities arising from, related to, or associated with the Assets, to the extent that such Liabilities arise or accrue on or after the Closing Date;
- (p) **"Books and Records"** means all documents used by, and in the possession of, the Vendor and the Debtor in connection with, or relating to, the Assets, the Assumed Liabilities or the operations of the Debtor's business, including legal and title opinions related to the Assets, all files, data, reports, plans, mailing lists, supplier lists, customer lists, price lists, Financial Records, marketing information and procedures, advertising and promotional materials, equipment records, warranty information, environmental site assessments, building condition reports, surveys, records of operations, standard forms of documents, manuals of operations or business procedures, and other similar procedures (including all discs, tapes, and other media-storage data containing such information), other than Retained Books and Records;
- (q) **"Break Fee"** has the meaning ascribed to that term in Section 8.1(d);
- (r) **"Business Day"** means a day other than a Saturday, a Sunday or a statutory holiday in Calgary, Alberta or Toronto, Ontario;
- (s) **"Cash and Cash Equivalents"** means cash, cash equivalents, money on deposit with banks, certificates of deposit and similar instruments and short-term investments held by, or on behalf of, the Debtor, excluding any excess borrowings drawn by the Vendor pursuant to the Receivership Order in its capacity as receiver and manager of the Assets and the business of the Debtor;
- (t) **"Claim"** means any claim, demand, lawsuit, proceeding or arbitration, or any investigation by a Governmental Authority, pertaining to the Assets, in each case whether asserted, threatened, pending or existing;
- (u) **"Closing"** means the transfer of possession, legal and beneficial ownership and risks of the Assets from the Vendor to the Purchaser and satisfaction of the Purchase Price by the Purchaser, and all other items and considerations required to be delivered on the Closing Date pursuant hereto, including delivery of the Specific Conveyances if applicable;
- (v) **"Closing Date"** means the later of:
 - (i) three Business Days following the date upon which all conditions set forth in Article 3 have been satisfied or waived; or
 - (ii) another date agreed upon in writing by the Parties,

but in any event, shall be no later than the Outside Date;

(w) "**Closing Place**" means the office of the Purchaser's Counsel, or such other place as may be agreed upon in writing by the Parties;

(x) "**Court**" has the meaning ascribed thereto in the Recitals;

(y) "**Data Room Information**" means all information provided or made available to the Purchaser in hard copy or electronic form in relation to the Debtor and/or the Assets;

(z) "**Debt**" means the debt owed by the Debtor to TEC, in its capacity as administrative agent for various lenders from time to time, pursuant to the ACRL Credit Agreement, including all principal and all interest and costs accruing thereon as of Closing (such amount totaling \$28,916,767.12 as at July 31, 2020);

(aa) "**Debtor**" has the meaning ascribed thereto in the Recitals;

(bb) "**Effective Time**" means 12:01 a.m. on the Closing Date;

(cc) "**Encumbrances**" means all mortgages, pledges, charges, liens, debentures, trust deeds, Claims, assignments by way of security or otherwise, security interests, conditional sales contracts or other title retention agreements, security created under the *Bank Act* (Canada), rights of first refusal, or similar interests or instruments charging or creating a security interest in the Assets or any part thereof or interest therein, and any agreements, leases, licenses, occupancy agreements, options, easements, rights of way, restrictions, executions, or other encumbrances (including notices or other registrations in respect of any of the foregoing) affecting title to the Assets or any part thereof or interest therein;

(dd) "**Environment**" and "**Environmental**" means the components of the earth and includes ambient air, land, surface and subsurface strata, groundwater, surface water, all layers of the atmosphere, all organic and inorganic matter and living organisms, and the interacting natural systems that include such components, and any derivative thereof shall have a corresponding meaning;

(ee) "**Environmental Liabilities**" means all past, present and future liabilities, obligations and expenses in respect of the Environment which relate to the Assets, or which arise in connection with the ownership thereof or operations pertaining thereto, including liabilities related to or arising from:

- (i) transportation, storage, use or disposal of toxic or hazardous substances;
- (ii) release, spill, escape, emission, leak, discharge, migration or dispersal of toxic or hazardous substances; or
- (iii) pollution or contamination of or damage to the Environment,

including liabilities to compensate Third Parties for damages and Losses resulting from the items described in items (i), (ii) and (iii) above (including damage to property, personal injury and death) and obligations to take action to prevent or rectify damage to or otherwise protect the Environment, but excluding all obligations and liabilities that are Excluded Liabilities or are related to the Excluded Assets;

(ff) **"Excluded Assets"** means:

- (i) any item or thing owned by Third Parties and licenced to the Debtor with restrictions on deliverability or disclosure by the Debtor that prevent the conveyance of such item or thing to the Purchaser;
- (ii) documents prepared by or on behalf of the Debtor in contemplation of litigation and any other documents within the possession of the Debtor which are subject to solicitor-client privilege under the laws of the Province of Alberta or any other jurisdiction;
- (iii) agreements, documents or data to the extent that:
 - (A) they are owned or licensed by Third Parties with restrictions on their deliverability or disclosure by the Debtor to an assignee;
 - (B) they comprise the Debtor's tax and financial records, and economic evaluations;
- (iv) any other assets specifically described in Schedule "G";

but "Excluded Assets" shall not include any property, rights or interests specifically described as Miscellaneous Interests;

- (gg) **"Excluded Contracts"** means the contracts of the Debtor identified as such in Schedule "H";
- (hh) **"Excluded Liabilities"** has the meaning ascribed thereto in Section 2.4(b);
- (ii) **"Facilities"** means the Vendor's Interest in and to the Sour Gas Plant and the Field Battery Assets;
- (jj) **"Field Battery Assets"** means the machinery, equipment, facilities and other Tangibles comprising the Facilities and relating to the "Field Battery Assets" as further described in Schedule "A";
- (kk) **"Financial Records"** means all books of account and other financial data and information of the Debtor and all such records, data, and information stored electronically, digitally, or on computer-related media;
- (ll) **"General Conveyance"** means an agreement providing for the assignment to the Purchaser of the Vendor's Interest in and to the Assets, free and clear of all Encumbrances (other than Permitted Encumbrances), substantially in the form attached hereto as Schedule "D";
- (mm) **"Governmental Authority"** means any federal, national, provincial, territorial, municipal or other government, any political subdivision thereof, and any ministry, sub-ministry, agency or sub-agency, court, board, bureau, office, commission or department, as well as any government-owned entity, any regulatory authority (including the Regulator) and any public authority, including any public utility, having jurisdiction over a Party, the Assets or the Transaction;
- (nn) **"GST"** means the goods and services tax payable pursuant to the GST Legislation;

(oo) "**GST Legislation**" means Part IX of the *Excise Tax Act*, R.S.C. 1985, c. E-15, as amended, and the regulations promulgated thereunder, all as amended from time to time;

(pp) "**Lands**" means the lands set forth and described in Schedule "A";

(qq) "**Liability**" means any debt, liability, commitment, or other obligation (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, or due or not yet due) and including all costs, fees and expenses relating thereto;

(rr) "**Losses**" means all actions, causes of action, losses, costs, Claims, damages, penalties, assessments, charges, expenses, and other liabilities and obligations which a Party suffers, sustains, pays or incurs, including reasonable legal fees and other professional fees and disbursements on a full-indemnity basis;

(ss) "**Material Adverse Effect**" means, in relation to a specified fact, circumstance, occurrence or event or any combination thereof, that the fact, circumstance, occurrence or event or combination thereof: (1) has had, or would reasonably be expected to have, a material adverse effect in respect of the Assets, the condition (financial or otherwise) or the operations of the Debtor's business (including: (A) the declaration of a national or regional emergency (other than any such emergency declared and in effect as of the date hereof) or similar action by any Governmental Authority; (B) disruptions due to availability of labour, strikes or labour stoppages; or (C) a shortage of adequate power or transportation facilities or the occurrence of any embargoes or blockages; in each case involving the Province of Alberta as a result of, related to or in connection with any epidemic, pandemic, outbreak of disease (including COVID 19) or other health crisis or public health event, or the worsening of any of the forgoing), the Assumed Liabilities or the Debtor's business (excluding the Excluded Assets and the Excluded Liabilities), considered as a whole; or (2) has prevented, or would reasonably be expected to prevent, the ability of the Purchaser to consummate the Transaction or to perform the Purchaser's obligations hereunder (including as a result of the matters specified above in sub-clauses (1)(A) to (C)); but, except as specifically set out above, excluding any such fact, circumstance, occurrence or event, or combination thereof, that:

- (i) results from conditions affecting the Western Canadian oil and gas industry generally as a whole; or
- (ii) results from general economic, financial, currency exchange, securities or commodity market conditions in Canada or elsewhere; or
- (iii) results from natural declines in the production of Petroleum Substances or changes in the quantity, quality or rate of production of Petroleum Substances from the Lands or lands pooled or unitized therewith;

provided that, with respect to clauses (i) and (ii) of this definition, such facts, circumstances, occurrences or events, or combination thereof, do not have a disproportionate effect on the Assets, the condition (financial or otherwise) or the operations of the Debtor's business, the Assumed Liabilities or the Debtor's business (excluding the Excluded Assets and the Excluded Liabilities) considered as a whole, relative to the effect of other commercial enterprises operating a business that is similar to the Debtor's business or owning assets that are similar to the Assets;

(tt) "**Material Transfers**" means (i) the AER Licence Transfers, (ii) any Surface Rights transfers which are required to be completed in accordance with Section 7.5(b)(i), as applicable, and (iii) such other governmental and other regulatory approvals which are required in connection with the operation of the Assets which may be identified by the Purchaser or the Vendor following execution of this Agreement;

(uu) "**Miscellaneous Interests**" means, subject to any and all limitations and exclusions provided for in this definition, the Vendor's Interest in and to all property, interests and rights pertaining to the Facilities or the Tangibles, including any and all of the following:

- (i) all contracts and agreements, including agreements for the ownership and operation of any of the Tangibles and the Assumed Contracts;
- (ii) the Surface Rights; and
- (iii) all records, books, documents, reports and data which relate to the Lands and the Tangibles;

but specifically excluding the Excluded Assets;

(vv) "**Outside Date**" means November 30, 2020;

(ww) "**Party**" means a party to this Agreement;

(xx) "**Permitted Encumbrances**" means:

- (i) the right reserved to or vested in any grantor, Governmental Authority by the terms of any lease, license, franchise, grant or permit, or by any statutory provision, to terminate any of such license, franchise, grant or permit or to require annual or other periodic payments as a condition of the continuance thereof;
- (ii) easements, rights of way, servitudes or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables which do not materially impair the use of the Assets affected thereby;
- (iii) rights of general application reserved to or vested in any governmental authority to levy taxes on Petroleum Substances or any of them or on the income or revenue therefrom, and governmental requirements and limitations of general application as to production rates on the operations of any property;
- (iv) the right reserved to or vested in any Governmental Authority to control or regulate any of the Assets in any manner, including any directives or notices received from any Governmental Authority pertaining to the Assets;
- (v) undetermined or inchoate liens incurred or created in the ordinary course of business as security in favour of any Person with respect to the development or operation of any of the Assets, as regards the Vendor's and/or the Debtor's share of the costs and expenses thereof which are not due or delinquent as of the date hereof or, if then due or delinquent are being contested in good faith by the Vendor and/or the Debtor, provided that the Vendor and/or the Debtor have disclosed in writing

to Purchaser, prior to the date hereof, all such liens which are being diligently contested in good faith, as applicable; and

- (vi) liens created in the ordinary course of business in favour of any Governmental Authority with respect to operations pertaining to any of the Assets or operations thereon for the payment of taxes, assessments and governmental charges which are not due at Closing, or the validity of which is being diligently contested in good faith by the Vendor, provided Vendor has disclosed in writing to Purchaser, prior to the date hereof, all such liens or security which are being diligently contested in good faith, as applicable;
- (yy) "**Person**" means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executor, Governmental Authority or other entity;
- (zz) "**Petroleum Substances**" means petroleum, natural gas, natural gas liquids and related hydrocarbons and all other substances (whether hydrocarbon or not), including sulphur, capable of being produced in association with petroleum and natural gas and related hydrocarbons;
- (aaa) "**Priority Charges**" means all claims against the Debtor or the Assets that rank in priority to the TEC Security, including all outstanding non-linear property taxes owing in respect of the Assets, but which do not include the Receivership Obligations;
- (bbb) "**Purchase Price**" has the meaning ascribed thereto in Section 2.2;
- (ccc) "**Purchaser**" has the meaning ascribed thereto in the Recitals;
- (ddd) "**Purchaser's Counsel**" means Bennett Jones LLP;
- (eee) "**Recitals**" means the preamble and the recitals to this Agreement;
- (fff) "**Receivership Charges**" means the charges created by the Receivership Order that rank in priority to the TEC Security, totaling a maximum aggregate value of \$350,000, comprised of:
 - (i) the Receiver's Charge up to a maximum aggregate value of \$250,000; and
 - (ii) the Receiver's Borrowings Charge up to a maximum aggregate value of \$100,000;
- (ggg) "**Receivership Obligations**" means the indebtedness, liabilities and obligations secured by the Receivership Charges;
- (hhh) "**Receivership Order**" has the meaning ascribed thereto in the Recitals;
- (iii) "**Receivership Proceedings**" means the court proceedings brought in the Court pursuant to Court Action No. 2001 – 06201, filed on May 8, 2020, in which proceedings, pursuant to the Receivership Order the Vendor was appointed as receiver and manager of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof;
- (jjj) "**Regulator**" means the Alberta Energy Regulator;

- (kkk) "**Representative**" means, with, respect to any Party, its Affiliates, and its and their respective directors, officers, agents, advisors, employees and consultants and includes the Debtor, their Affiliates and their respective directors, officers, agents, advisors, employees and consultants;
- (lll) "**Retained Books and Records**" means (a) any documents (including books and records) that the Debtor is required by Applicable Law to retain, (b) corporate seals, minute books, charter documents, corporate record books, original tax and financial records, and such other books and records as pertain to the organization, existence, actions, or share capitalization of the Debtor, and (c) any books and records or information related exclusively to any of the Excluded Assets or Excluded Liabilities;
- (mmm) "**RMF2 Form**" means Alberta Energy Reassignment of Volume Setup/Change Form with all required attachments that are required to be submitted to Alberta Energy with respect to the transfer of gas production volumes between a vendor and a purchaser;
- (nnn) "**Sales Process**" means the sales solicitation process approved by the Court in relation to the Assets, the procedure for which is described in the Stalking Horse Procedure;
- (ooo) "**Sales Process Order**" means the order of the Court to be sought by the Vendor establishing, among other things, the Sales Process;
- (ppp) "**Sales Taxes**" means all transfer, sales, excise, stamp, licence, production, value-added and other like taxes, assessments, charges, duties, fees, levies or other charges of a Governmental Authority (including additions by way of penalties, interest and other amounts relating to late filings or payments) with respect to the transfer and conveyance to the Purchaser of the Assets or the transfer or registration of the Specific Conveyances, and any income taxes and penalties and interest related thereto;
- (qqq) "**Schedule**" means a schedule attached to, and which forms a part of, this Agreement;
- (rrr) "**Sour Gas Plant**" means the Redwater Gas Conservation & Sulphur Recovery Plant as further described in Schedule "A";
- (sss) "**Specific Conveyances**" means all conveyances, assignments, transfers, novations, RMF2 Forms, and such other documents or instruments as are reasonably required or desirable to convey, assign and transfer the Assets to the Purchaser and to novate the Purchaser in the place and stead of the Vendor or Accel Holdings, as applicable, with respect to the Assets (excluding the AER License Transfers and the transfers of any Surface Rights);
- (ttt) "**Stalking Horse APA**" shall have the meaning ascribed thereto in the Stalking Horse Procedure;
- (uuu) "**Stalking Horse Procedure**" means the procedure to be followed with respect to the Sales Process, substantially in the form attached as Schedule "H" and to be approved by the Sales Process Order;
- (vvv) "**Successful Bid**" has the meaning ascribed to that term in the Stalking Horse Procedure;
- (www) "**Superior Offer**" has the meaning ascribed to that term in the Stalking Horse Procedure;
- (xxx) "**Surface Rights**" means the Vendor's Interest in and to all rights to enter upon, use, occupy and enjoy the surface of any lands which are used or may be used to gain access to or

otherwise use the Lands or the Tangibles, or either of them, and all contracts and agreements related thereto, whether such rights are held in fee simple, by lease, by right-of-way, or otherwise;

(yyy) "**Tangibles**" means the Vendor's Interest in and to:

- (i) the Facilities; and
- (ii) the following that are used or held for use in respect of the Facilities to the extent they relate solely to the Facilities:
 - (A) all tangible depreciable equipment and facilities used in the production, dehydration, processing, gathering, treatment, measurement, storage or transportation of Petroleum Substances, including: gas plants; oil batteries; buildings; compressors; production equipment; active, inactive or decommissioned pipelines and tangible equipment; wellheads; pipelines; gathering lines; flow lines; pipeline connections; meters; generators; motors; compressors; treaters; dehydrators; scrubbers; separators; pumps; pumpjacks; tanks and boilers;
 - (B) field offices, including all leasehold improvements, furniture and office supplies located therein;
 - (C) tangible equipment used exclusively with maintenance management systems and field measurement facilities; and
 - (D) Petroleum Substances.

(zzz) "**Tax**" means all taxes, assessments, charges, dues, duties, rates, fees, imposts, levies and similar charges of any kind lawfully levied, assessed or imposed by any Governmental Authority under any applicable federal, provincial, territorial, municipal and local, foreign, or other statutes, ordinances or regulations imposing a tax, including income, capital, capital gains, goods and services, sales, use, consumption, excise, value added (including GST, Harmonized Sales Tax and Sales Taxes), business, real property, personal property, carbon, transfer, franchise, withholding, payroll, or employer health taxes, Canada Pension Plan contributions, employment insurance premiums, and provincial workers' compensation payments, levy, assessment, whether computed on a separate, combined, unitary, or consolidated basis or any other manner, including any interest, penalties and fines associated therewith;

(aaaa) "**Tax Act**" means the *Income Tax Act* (Canada), R.S.C. 1985, c. 1 (5th Supp);

(bbbb) "**Tax Return**" or "**Tax Returns**" means all returns, declarations of estimated tax payments, reports, estimates, information returns, and statements, including any related or supporting information with respect to any of the foregoing, filed or required to be filed with any taxing authority;

(cccc) "**TEC**" has the meaning ascribed to that term in the Recitals;

(dddd) "**TEC Security**" means the security which secures the indebtedness outstanding under the ACRL Credit Agreement;

- (eeee) "**Third Party**" means any individual or entity other than the Vendor, the Debtor and the Purchaser, including any partnership, corporation, trust, unincorporated organization, union, government and any department and agency thereof and any heir, executor, administrator or other legal representative of an individual;
- (ffff) "**Transaction**" means the transaction for the purchase and sale of the Assets contemplated by this Agreement;
- (gggg) "**Vendor**" has the meaning ascribed thereto in the Recitals;
- (hhhh) "**Vendor's Counsel**" means Borden Ladner Gervais LLP;
- (iiii) "**Vendor's Interest**" means, when used in relation to any asset, undertaking or property, the entire right, title, estate and interest, if any, of the Debtor and/or the Vendor, as applicable, in, to and/or under such asset, undertaking or property; and
- (jjjj) "**Vesting Order**" means an order to be granted by the Court substantially in the form of Schedule "F" which authorizes, approves and confirms this Agreement and the sale of the Assets by the Vendor to the Purchaser in accordance with the terms and conditions contained herein, and vests legal and beneficial title to the Assets in the Purchaser free and clear of all Encumbrances, other than Permitted Encumbrances.

1.2 Headings

The words "Article", "Section", "subsection" and "Schedule" followed by a number or letter or combination thereof mean and refer to the specified Article, Section, subsection and Schedule of or to this Agreement.

1.3 Interpretation Not Affected by Headings

The division of this Agreement into Articles, Sections and subsections and the provision of headings for all or any thereof are for convenience and reference only and shall not affect the construction or interpretation of this Agreement.

1.4 Plurals and Gender

When the context reasonably permits, words suggesting the singular shall be construed as suggesting the plural and *vice versa*, and words suggesting gender or gender neutrality shall be construed as suggesting the masculine, feminine and neutral genders.

1.5 Schedules

There are appended to this Agreement the following Schedules pertaining to the following matters:

Schedule "A"	-	Lands and Facilities
Schedule "B"	-	Assumed Contracts
Schedule "C"	-	Assignment and Assumption Agreement
Schedule "D"	-	General Conveyance
Schedule "E"	-	Form of Bring-Down Certificate
Schedule "F"	-	Form of Vesting Order
Schedule "G"	-	Excluded Assets
Schedule "H"	-	Stalking Horse Procedure

Such Schedules are incorporated herein by reference as though contained in the body hereof. Wherever any term or condition of such Schedules conflicts or is at variance with any term or condition in the body of this Agreement, such term or condition in the body of this Agreement shall prevail.

1.6 Damages

All Losses, costs, Claims, damages, expenses and liabilities in respect of which a Party has a claim pursuant to this Agreement shall include reasonable legal fees and disbursements on a full indemnity basis.

1.7 Derivatives

Where a term is defined in the body of this Agreement, a capitalized derivative of such term shall have a corresponding meaning unless the context otherwise requires. The word "include" and derivatives thereof shall be read as if followed by the phrase "without limitation".

1.8 Interpretation if Closing Does Not Occur

In the event that Closing does not occur, each provision of this Agreement which presumes that the Purchaser has acquired the Assets hereunder shall be construed as having been contingent upon Closing having occurred.

1.9 Conflicts

If there is any conflict or inconsistency between a provision of the body of this Agreement and that of a schedule or a Specific Conveyance, the provision of the body of this Agreement shall prevail.

1.10 Currency

All dollar (\$) amounts referenced in this Agreement are expressed in the lawful currency of Canada.

ARTICLE 2 PURCHASE AND SALE AND CLOSING

2.1 Purchase and Sale

The Vendor hereby agrees to sell, assign, transfer, convey and set over to the Purchaser, and the Purchaser hereby agrees to purchase from the Vendor, the Vendor's Interest (whether absolute or contingent, legal or beneficial) in and to the Assets, subject to and in accordance with the terms and conditions of this Agreement and the Vesting Order.

2.2 Purchase Price

The aggregate consideration to be paid by the Purchaser to the Vendor for the Vendor's Interest in and to the Assets shall be the aggregate of the following amounts (the "**Purchase Price**"), plus applicable GST and other Sales Taxes satisfied by the Purchaser (or the Vendor, to the extent applicable):

- (a) payment of an amount, in cash, necessary to fully pay the Receivership Obligations which are verified by the Vendor as outstanding on Closing;
- (b) payment of an amount, in cash, necessary to fully pay the Priority Charges which are verified by the Vendor as outstanding on Closing;

- (c) the Debt shall be confirmed as indefeasibly paid in full; and
- (d) the assumption by the Purchaser of the Assumed Liabilities in accordance with Section 2.4.

The Parties hereby acknowledge and agree that the Purchase Price set forth in this Section 2.2 accurately reflects and takes into proper account both the positive value of all of the Assets as well as the offsetting reductions in value for the Environmental Liabilities and Abandonment and Reclamation Obligations associated therewith and the absolute release of the Vendor and the Debtor of all and any responsibility or liability therefor. In such determination of the Purchase Price, the Parties agree that the extent and value of past, present and future environmental, abandonment or reclamation liabilities related to the Assets is unknown, and the Parties have not attributed a specific or agreed to value with regard to either (i) such liabilities, or (ii) any indemnities provided for in this Agreement, nor shall there be any adjustments made to the Purchase Price in relation thereto.

2.3 Allocation of Purchase Price

The Parties shall allocate the Purchase Price as follows:

Lands	10%
Tangibles	90%
Miscellaneous Interests	\$1.00

The Parties shall file their respective Tax Returns based upon and in accordance with the allocations in this Section 2.3 and will not make any inconsistent statements or take any inconsistent positions on any Tax Returns, in any refund claims or during the course of any audits by any taxing authorities.

2.4 Assumed Liabilities and Excluded Liabilities

- (a) As partial payment of the Purchase Price and, to the extent permitted by Applicable Law, on the Closing Date, the Purchaser shall assume and agree to pay, perform and otherwise discharge, when due, the Assumed Liabilities. In determining the Purchase Price, the Parties have taken into account the Purchaser's assumption of responsibility for the payment of all costs for existing or future Abandonment and Reclamation Obligations and Environmental Liabilities associated with the Assets, as set forth in this Agreement, and the absolute release of the Vendor of all and any responsibility or liability therefor.
- (b) Notwithstanding anything to the contrary in this Agreement or any document entered into in connection with the Transaction which is to the contrary, neither the Purchaser nor any Affiliate of the Purchaser is assuming, shall assume, or shall be deemed to have assumed, any Liabilities of the Vendor and/or the Debtor, other than the Assumed Liabilities (all such other Liabilities, the "**Excluded Liabilities**"). For the avoidance of doubt, the Excluded Liabilities shall include the following:
 - (i) except as contemplated by Section 2.4(a), all Liabilities of the Vendor and/or Debtor that: (A) are not secured by Encumbrances on any of the assets of the Debtor; (B) are secured by Encumbrances on the assets of the Debtor that rank junior to the Encumbrances securing the obligations of the Debtor to the Purchaser and its Affiliates; or (C) are subordinated to the obligations of the Debtor to the Purchaser and its Affiliates;

- (ii) all Liabilities arising out of Excluded Assets, including or relating to the Excluded Contracts;
- (iii) unless otherwise specified herein, any Taxes payable by the Vendor and/or the Debtor;
- (iv) all Liabilities of the Vendor and the Debtor under this Agreement;
- (v) any Liability with respect to any legal, accounting audit, financial advisory and investment banking and broker fees and any other expenses incurred by the Vendor and/or the Debtor, including with respect to the Transactions, the Receivership Proceedings (including fees and expenses of the Vendor's Counsel and the Debtor's legal counsel);
- (vi) all Liabilities of the Vendor and/or the Debtor that are vested off by the Vesting Order or are subordinated to the obligations of the Vendor and/or the Debtor to the Purchaser and its Affiliates; and
- (vii) any Liability of the Vendor and/or the Debtor not expressly included among the Assumed Liabilities or expressly assumed by the Purchaser, or an Affiliate thereof, under this Agreement.

2.5 Closing

Closing shall take place at the Closing Place on the Closing Date if there has been satisfaction or waiver of the conditions of Closing herein contained. Subject to all other provisions of this Agreement, possession, risk, legal and beneficial ownership of the Vendor's Interest in and to the Assets shall pass from the Vendor to the Purchaser on the Closing Date.

- (a) On the Closing Date, the Vendor shall deliver to the Purchaser:
 - (i) the Assignment and Assumption Agreement, duly executed by the Vendor;
 - (ii) the General Conveyance, duly executed by the Vendor;
 - (iii) the Bring-Down Certificate substantially in the form attached as Schedule "E", duly executed by the Vendor;
 - (iv) a receipt for the Purchase Price plus applicable GST and other Sales Taxes;
 - (v) the tax elections described in Section 2.9(c), duly executed by the Vendor;
 - (vi) a copy of the Vesting Order;
 - (vii) the Specific Conveyances, duly executed by the Vendor, to the extent such Specific Conveyances were provided to the Vendor no later than one Business Day prior to Closing; and
 - (viii) such other documents as may be specifically required hereunder or as may be reasonably requested by the Purchaser upon reasonable notice to the Vendor.
- (b) On the Closing Date, the Purchaser shall deliver to the Vendor:

- (i) evidence that those portions of the indebtedness outstanding to the Purchaser, which form a portion of the Purchase Price, all as more fully described in Section 2.2, have been indefeasibly repaid;
- (ii) the tax elections described in Section 2.9(c), duly executed by the Purchaser;
- (iii) the Assignment and Assumption Agreement, duly executed by the Purchaser;
- (iv) the General Conveyance, duly executed by the Purchaser;
- (v) the Bring-Down Certificate substantially in the form attached as Schedule "E", duly executed by the Purchaser;
- (vi) where required, the Specific Conveyances, duly executed by the Purchaser, to the extent prepared on or before the Closing Date by the Purchaser;
- (vii) the confirmation referenced in Section 7.5(a) in relation to the cash or letters of credit required to be provided to the Regulator; and
- (viii) such other documents as may be specifically required hereunder or as may be reasonably requested by the Vendor upon reasonable notice to the Purchaser.

2.6 Specific Conveyances

The Parties shall cooperate in the preparation of the Specific Conveyances. At a reasonable time prior to Closing, but not later than three (3) Business Days prior to the Closing Date, the Vendor shall use reasonable efforts to prepare and provide to the Purchaser for the Purchaser's review all Specific Conveyances at the Vendor's sole cost and expense. The Parties shall execute such Specific Conveyances at Closing. None of the Specific Conveyances shall confer or impose upon either Party any greater right or obligation than as contemplated in this Agreement. Promptly after Closing, the Purchaser shall promptly register and/or distribute (as applicable) all such Specific Conveyances, and the Purchaser shall bear all costs incurred therewith and in preparing and registering any further assurances required to convey the Assets to the Purchaser.

2.7 Miscellaneous Interests

As soon as practicable following Closing, the Vendor shall deliver to the Purchaser paper originals, paper photocopies where originals are not available, or electronic copies where neither paper originals or photocopies are available, of the agreements, files and documents to which the Assets are subject, and such contracts, agreements, records, books, documents, licences, reports and data as comprise the Miscellaneous Interests and which are now in the possession of the Vendor.

2.8 Form of Payment

All cash amounts payable by the Purchaser pursuant to this Agreement shall be in Canadian funds. All payments to be made pursuant to this Agreement shall be made by wire transfer.

2.9 Taxes

- (a) GST

Each of the Purchaser and the Debtor is a registrant for GST purposes and will continue to be a registrant at the Closing Date in accordance with the provisions of the GST Legislation. Their respective GST registration numbers are:

Debtor	750120917 RT0001
Purchaser	740459276 RT0001

The Vendor agrees, if requested by the Purchaser, to make an election under subsection 167(1) of the GST Legislation in respect of the GST payable to the Vendor as a result of the Transaction contemplated herein. The Purchaser, acting reasonably, shall prepare, and the relevant Parties agree to execute and file, such elections in the form and within the time periods prescribed or specified under Applicable Law. The Purchaser shall be responsible for the payment of any amount of GST payable in respect of its purchase of the Assets pursuant hereto and any interest and penalties payable in respect of such GST and shall indemnify and save harmless the Vendor in respect thereof. The Purchaser's indemnity obligations in this Section 2.9(a) shall survive the Closing Date indefinitely.

(b) Sales Taxes

The Parties acknowledge that the Purchase Price is exclusive of all Sales Taxes. The Purchaser shall be solely responsible for the payment of all Sales Taxes which may be imposed by any Governmental Authority and which pertain to the Purchaser's acquisition of the Assets or to the registration of any Specific Conveyances necessitated hereby. Except where the Vendor is required under Applicable Law to collect or pay such Sales Taxes, the Purchaser shall pay such Sales Taxes directly to the appropriate Governmental Authority within the required time period and shall file when due all necessary documentation with respect to such Sales Taxes when due. The Vendor will do and cause to be done such things as are reasonably requested to enable the Purchaser to comply with such obligation in a timely manner. If the Vendor is required under Applicable Law to pay any such Sales Taxes, the Purchaser shall promptly advance to the Vendor, or if the Vendor has already paid same, reimburse the Vendor the full amount of such Sales Taxes upon delivery to the Purchaser of copies of assessments or receipts, as applicable, showing assessment or payment, as applicable, of such Sales Taxes. The Purchaser shall be responsible for the payment of any amount of Sales Taxes payable in respect of its purchase of the Assets pursuant hereto and any interest and penalties payable in respect thereto and shall indemnify and save harmless the Vendor in respect thereof. The Purchaser's indemnity obligations in this Section 2.9(b) shall survive the Closing Date indefinitely.

(c) Tax Elections

(i) If requested by the Purchaser, the Vendor and the Purchaser shall, as soon as possible after the Closing, jointly execute and file an election under Section 22 of the Tax Act and equivalent provisions of any applicable provincial or territorial regulation in respect of the sale of the Accounts Receivable and other assets that are described in Section 22 of the Tax Act and shall designate therein the applicable portion of the Purchase Price as the consideration paid by the Purchaser therefor. The Parties shall each file such elections with the Canada Revenue Agency (or any applicable provincial or territorial taxing authority) forthwith after execution thereof (and, in any event, with their respective tax returns for the year of sale) to make such election.

- (ii) If requested by the Purchaser, the Vendor and the Purchaser shall, as soon as possible after the Closing, jointly execute and file an election under Subsection 20(24) of the Tax Act and equivalent provisions of any applicable provincial or territorial regulation. The Parties shall each file such election with the Canada Revenue Agency (or any applicable provincial or territorial taxing authority).
- (d) Tax Returns

The Purchaser and the Vendor shall furnish or cause to be furnished to each other, as promptly as reasonably practicable, such information in their possession and assistance relating to the Assets and the Assumed Liabilities as is reasonably necessary for the preparation and filing of any Tax Return, claim for refund, or other filings relating to Tax matters, or in connection with any Tax audit or other Tax proceeding.

ARTICLE 3 **CONDITIONS OF CLOSING**

3.1 Required Consents

- (a) Before Closing, each of the Parties shall use all reasonable efforts to obtain any and all approvals required under Applicable Law to permit closing of the Transaction. The Parties acknowledge that, except for the Vesting Order, the acquisition of such consents shall not be a condition precedent to Closing. Subject to the provisions of Section 7.5, it shall be the sole obligation of the Purchaser, at the Purchaser's sole cost and expense, to provide any and all financial assurances, remedial work or other documentation required by Governmental Authorities to permit the transfer to the Purchaser, and registration of the Purchaser as owner and/or operator, of any of the Assets including, but not limited to, the Facilities.
- (b) Notwithstanding anything to the contrary herein, except for the Vesting Order, and subject to the provisions of Section 7.5, it is the sole obligation of the Purchaser to obtain any Third Party consents, permissions or approvals that are required in connection with the assignment of the Vendor's Interest in any Miscellaneous Interests including remedying any financial deficiencies under any Assumed Contracts and agreements, at the Purchaser's sole cost and expense. Upon obtaining prior written approval of the Purchaser and providing sufficient documentary support to the Purchaser, all reasonable and necessary costs, fees, expenses, penalties or levies that are incurred by the Vendor and or the Debtor in order to effect the assignment of the Assets to the Purchaser shall be the sole responsibility of the Purchaser, and the Purchaser agrees to pay on behalf of the Vendor and the Debtor any such reasonable and necessary costs, fees, expenses, penalties or levies on a timely basis.

3.2 Mutual Conditions

The obligation of the Purchaser to purchase the Vendor's Interest in and to the Assets, and of the Vendor to sell its interest in and to the Assets to the Purchaser, is subject to the following conditions precedent:

- (a) the Vesting Order being obtained;
- (b) no stay or appeal or application to vary the Vesting Order shall have been filed with the Court at any time by the Vendor or any other Person on or before the Closing, and the Vesting Order shall not have been otherwise vacated; and

- (c) the Vesting Order granted by the Court shall be acceptable to each of the Purchaser and the Vendor, acting reasonably, and the Vesting Order shall not have been amended, supplemented or otherwise modified in a manner not acceptable to the Parties, acting reasonably.

Unless otherwise agreed to by the Parties, if the conditions contained in this Section 3.2 have not been performed, satisfied or waived before the Outside Date, this Agreement and the obligations of the Vendor and the Purchaser under this Agreement (other than under Sections 10.12 and 10.15) shall automatically terminate without any further action on the part of either the Vendor or the Purchaser.

3.3 Purchaser's Conditions

The obligation of the Purchaser to purchase the Vendor's Interest in and to the Assets is subject to the following conditions precedent, which are inserted herein and made part hereof for the exclusive benefit of the Purchaser and may be waived by the Purchaser:

- (a) the representations and warranties of the Vendor herein contained shall be true in all material respects when made and shall remain true as of the Closing Date;
- (b) all obligations of the Vendor in this Agreement to be performed prior to or at Closing shall have been timely performed in all material respects;
- (c) the Material Transfers shall have been completed and approved by the applicable Governmental Authorities;
- (d) closing of the transactions contemplated in the Accel Receivership Purchase Agreement prior to, or concurrently with, closing of the Transactions provided for in this Agreement;
- (e) no Material Adverse Effect shall have occurred between the date of this Agreement and Closing; and
- (f) the Vendor shall have executed and delivered or caused to have been executed and delivered to the Purchaser at or before the Closing all of the documents and deliverables provided for in Section 2.5(a).

If any one or more of the foregoing conditions precedent has or have not been satisfied, complied with, or waived by the Purchaser, at or before the Outside Date, the Purchaser may terminate this Agreement by written notice to the Vendor. If the Purchaser terminates this Agreement, the Vendor and the Purchaser shall be released and discharged from all obligations hereunder except as provided in Sections 10.12 and 10.15.

3.4 Vendor's Conditions

The obligation of the Vendor to sell the Vendor's Interest in and to the Assets to the Purchaser is subject to the following conditions precedent, which are inserted herein and made part hereof for the exclusive benefit of the Vendor and may be waived by the Vendor:

- (a) the representations and warranties of the Purchaser herein contained shall be true in all material respects when made and shall remain true as of the Closing Date;
- (b) all obligations of the Purchaser contained in this Agreement to be performed prior to or at Closing shall have been timely performed in all material respects;

- (c) all amounts to be paid by the Purchaser to the Vendor at Closing, including the Purchase Price, shall have been paid to the Vendor in the form stipulated in this Agreement; and
- (d) the Purchaser shall have executed and delivered or caused to have been executed and delivered to the Vendor at or before the Closing all of the documents and deliverables provided for in Section 2.5(b).

If any one or more of the foregoing conditions precedent has or have not been satisfied, complied with, or waived by the Vendor, at or before the Outside Date, the Vendor may terminate this Agreement by written notice to the Purchaser. If the Vendor terminates this Agreement, the Vendor and the Purchaser shall be released and discharged from all obligations hereunder except as provided in Sections 10.12 and 10.15.

3.5 Efforts to Fulfil Conditions Precedent

The Purchaser and the Vendor shall proceed diligently and in good faith and use all reasonable efforts to satisfy and comply with and assist in the satisfaction and compliance with the foregoing conditions precedent.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of the Vendor

The Vendor makes only the following representations to the Purchaser, which representations shall not survive Closing, and the Vendor agrees and acknowledges that the Purchaser is relying on such representations and warranties for the purposes of entering into this Agreement:

- (a) pursuant to the Receivership Order, it has, among other things, been appointed by the Court as receiver and manager of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof, and such appointment is valid and subsisting and has not been varied or amended, except as set forth in the Receivership Order; and
- (b) this Agreement is, and all documents executed and delivered pursuant to this Agreement will be, legal, valid and binding obligations of the Vendor enforceable against it in accordance with their terms.

4.2 Representations and Warranties of the Purchaser

The Purchaser makes the following representations and warranties to the Vendor, which representations and warranties shall not survive Closing, and agrees that the Vendor is relying on such representations and warranties for the purposes of entering into this Agreement:

- (a) the Purchaser is a corporation duly organized, validly existing and is authorized to carry on business in the provinces in which the Lands are located;
- (b) the Purchaser has good right, full power and absolute authority to purchase and acquire the interest of the Vendor in and to the Assets according to the true intent and meaning of this Agreement;
- (c) the execution, delivery and performance of this Agreement has been duly and validly authorized by any and all requisite corporate, shareholders', directors' or equivalent actions

and will not result in any violation of, be in conflict with, or constitute a default under, any articles, charter, bylaw or other governing document to which the Purchaser is bound;

- (b) except for: (i) obtaining the Vesting Order; (ii) completing transfers of the AER Licence Transfers and any consents, approvals or waivers that are required in connection with the assignment of an Assumed Contract; and (iii) as otherwise expressly provided in this Agreement; the execution, delivery and performance of this Agreement by it does not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any Governmental Authority, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation by the Purchaser of this Transaction;
- (d) the execution, delivery and performance of this Agreement will not result in any violation of, be in conflict with, or constitute a default under, any term or provision of any agreement or document to which the Purchaser is party or by which the Purchaser is bound, nor under any judgement, decree, order, statute, regulation, rule or licence applicable to the Purchaser;
- (e) this Agreement and any other agreements delivered in connection herewith constitute valid and binding obligations of the Purchaser enforceable against the Purchaser in accordance with their terms;
- (f) no authorization or approval or other action by, and no notice to or filing with, any Governmental Authority or regulatory body exercising jurisdiction over the Assets is required for the due execution, delivery and performance by the Purchaser of this Agreement, other than authorizations, approvals or exemptions from requirements previously obtained and currently in force or to be obtained prior to or after Closing;
- (g) the Purchaser has adequate funds available in an aggregate amount sufficient to pay: (i) all amounts required to be paid by the Purchaser under this Agreement; and (ii) all expenses which have been or will be incurred by the Purchaser in connection with this Agreement and the Transaction;
- (h) the Purchaser has not incurred any obligation or liability, contingent or otherwise, for brokers' or finders' fees in respect of this Agreement or the Transaction for which the Vendor shall have any obligation or liability;
- (i) the Purchaser is acquiring the Assets in its capacity as principal and is not purchasing the Assets for the purpose of resale or distribution to a Third Party, and is dealing at arm's length with the Vendor (as such term is interpreted by the Regulator);
- (j) the Purchaser holds a business associate code from the Regulator and Purchaser will meet all eligibility requirements of (i) the Regulator pursuant to the Regulator's Directive 067, and (ii) any other Governmental Authorities as required as of the Closing Date, to purchase and accept a transfer of the Assets as contemplated hereunder;
- (k) in connection with assuming the AER Licences, the Purchaser will not have a Liability Management Rating (or equivalent rating under any successor program, as applicable) in respect of its assets and interests located in the Province of Alberta that is less than the amount required by the Regulator (including in a discretionary confirmation issued by the Regulator, as applicable);

- (l) the Purchaser is not a non-resident of Canada within the meaning of such term under the Tax Act; and
- (m) the Purchaser is not a non-Canadian person for the purposes of the *Investment Canada Act*.

4.3 Limitation of Representations by the Vendor

- (a) Subject to Section 4.1, the Vendor expressly negates any representations or warranties, whether written or verbal, made by the Vendor, the Debtor or their Representatives and in particular, without limiting the generality of the foregoing, the Vendor disclaims all liability and responsibility for any such representation, warranty, statement or information made or communicated, whether verbal or in writing, to the Purchaser or any of its Representatives. The Vendor's Interest in and to the Assets shall be purchased on a strictly "as is, where is" basis and there are no collateral agreements, conditions, representations or warranties of any nature whatsoever made by the Vendor, express or implied, arising at law, by statute, in equity or otherwise, with respect to the Assets and in particular, without limiting the generality of the foregoing, there are no collateral agreements, conditions, representations or warranties made by the Vendor, express or implied, arising at law, by statute, in equity or otherwise with respect to:
 - (i) any estimates of the value of the Assets or the revenues or cash flows from future operation of the Assets;
 - (ii) the quality, condition, fitness or merchantability of any tangible depreciable equipment or property interests which comprise the Assets (including the Tangibles);
 - (iii) the accuracy or completeness of the Data Room Information or any other data materials, representations, warranties or statements made, direct or indirect, express or implied, or information supplied related to the Assets (whether supplied by the Vendor, the Debtor, their Representatives or otherwise);
 - (iv) the suitability of the Assets for any purpose;
 - (v) compliance with Applicable Laws; or
 - (vi) the title and interest of the Vendor and/or the Debtor in and to the Assets.
- (b) Without restricting the generality of the foregoing, the Purchaser acknowledges that it has made its own independent investigation, analysis, evaluation and inspection of the Vendor's or the Debtor's interests in and to the Assets and the state and condition thereof and that it is satisfied with, and has relied solely on, such investigation, analysis, evaluation and inspection as to its assessment of the condition, quantum and value of the Assets.
- (c) The Purchaser forever releases and discharges the Vendor, the Debtor and their Representatives from any Claims and all liability to the Purchaser or the Purchaser's assigns and successors, as a result of the use or reliance upon advice, information or materials pertaining to the Assets which was delivered or made available to the Purchaser by the Vendor, the Debtor or their Representatives prior to or pursuant to this Agreement, including any evaluations, projections, reports, assessments and interpretive or non-factual materials prepared by or for the Vendor and/or the Debtor, or otherwise in the Vendor's or the Debtor's possession.

ARTICLE 5 **ENFORCEMENT OF REPRESENTATIONS AND WARRANTIES**

5.1 Enforcement of Representations and Warranties

- (a) The representations and warranties of each Party contained in this Agreement shall merge on Closing and shall thereafter be of no further force and effect. Effective upon the occurrence of Closing, each Party hereby releases and forever discharges each other Party from any breach of any representations and warranties set forth in this Agreement. For greater certainty, none of representations and warranties contained in Article 4 shall survive Closing and, the Purchaser's sole recourse for any material breach of representation or warranty by the Vendor shall be for the Purchaser to not complete the Transaction in accordance with this Agreement.
- (b) The representations and warranties of the Vendor made herein or pursuant hereto are made for the exclusive benefit of the Purchaser, and the representations and warranties of the Purchaser made herein or pursuant hereto are made for the exclusive benefit of the Vendor, as the case may be, and are not transferable and may not be made the subject of any right of subrogation in favour of any other Person.
- (c) The Parties expressly acknowledge and agree that the provisions of this Article 5 and the limit on each Party's liability set out in this Article 5 are intended by the Parties as a limitation of liability that represents a fair and equitable allocation of the risks and liabilities that each Party has agreed to assume in connection with the subject matter hereof and is not an agreement within the provision of subsection 7(2) of the *Limitations Act* (Alberta).

ARTICLE 6 **INDEMNITIES**

6.1 Post-Closing Date Indemnity

Provided that Closing has occurred, the Purchaser shall:

- (a) be solely liable and responsible for any and all Losses which the Vendor or the Debtor may suffer, sustain, pay or incur; and
- (b) indemnify, release and save harmless the Vendor, the Debtor and their Representatives from any and all Losses, expenses, Claims, actions, proceedings and demands, whatsoever which may be brought against or suffered by the Vendor or the Debtor or which they may sustain, pay or incur,

as a result of any matter or thing resulting from, attributable to or connected with the Assets and arising or accruing after the Closing Date.

6.2 Environmental Matters and Abandonment and Reclamation Obligations

The Purchaser acknowledges that, insofar as the Environmental condition of the Assets is concerned, the Purchaser is acquiring the Assets pursuant hereto on an "as is, where is" basis. The Purchaser acknowledges that it is familiar and satisfied with the condition of the Assets, including the past and present use of the Lands or the Tangibles, that the Vendor has provided the Purchaser with a reasonable opportunity to inspect the Assets at the sole cost, risk and expense of the Purchaser (insofar as the Vendor could reasonably

provide such access) and that the Purchaser is not relying upon any representation or warranty of the Vendor as to the Environmental condition of the Assets, or as to any Environmental Liabilities or Abandonment and Reclamation Obligations. Provided that Closing has occurred, the Purchaser shall:

- (a) be solely liable and responsible for any and all Losses which the Vendor and their Representatives may suffer, sustain, pay or incur; and
- (b) indemnify, release and save harmless the Vendor, the Debtor and their Representatives from any and all Losses, actions, proceedings and demands, whatsoever which may be brought against or suffered by the Vendor or the Debtor or which the Vendor or the Debtor may sustain, pay or incur,

as a result of any matter or thing arising out of, resulting from, attributable to or connected with any Environmental Liabilities or any Abandonment and Reclamation Obligations. Once Closing has occurred, the Purchaser shall be solely responsible for all Environmental Liabilities and all Abandonment and Reclamation Obligations both to Third Parties and as between the Vendor and the Purchaser (whether such Environmental Liabilities and Abandonment and Reclamation Obligations occur or accrue prior to, on or after the Effective Time), and hereby releases the Vendor and the Debtor from any Claims the Purchaser may have against the Vendor and/or the Debtor with respect to all such liabilities and responsibilities. Without restricting the generality of the foregoing, the Purchaser shall be responsible for all Environmental Liabilities and Abandonment and Reclamation Obligations (whether such Environmental Liabilities and all Abandonment and Reclamation Obligations occur or accrue prior to, on or after the Effective Time) in respect of the Lands and the Tangibles. This assumption of liability and indemnity by the Purchaser shall apply without limit and without regard to cause or causes, including the negligence (whether sole, concurrent, gross, active, passive, primary or secondary) of the Vendor but excluding the wilful or wanton misconduct or recklessness of any or all of the Vendor or the Debtor, their Representatives and their respective successors and assigns or any other Person or otherwise. The Purchaser further acknowledges and agrees that it shall not be entitled to any rights or remedies as against the Vendor, the Debtor or their Representatives, or their respective successors and assigns under the common law or statute pertaining to any Environmental Liabilities and Abandonment and Reclamation Obligations, including the right to name any or all of the Vendor, the Debtor, their Representatives, and their respective successors and assigns as a 'third party' to any action commenced by any Person against the Purchaser. The Purchaser's assumption of liability and the indemnity obligations set forth in this Section 6.2 shall survive the Closing Date indefinitely.

6.3 Third Party Claims

The following procedures shall be applicable to any Claim by the Vendor, the Debtor, or any of them (the "**Indemnitee**") for indemnification pursuant to this Agreement from the Purchaser (the "**Indemnitor**") in respect of any Losses in relation to a Third Party (a "**Third Party Claim**"):

- (a) upon the Third Party Claim being made against or commenced against the Indemnitee, the Indemnitee shall within 30 Business Days of notice thereof provide written notice thereof to the Indemnitor. The notice shall describe the Third Party Claim in reasonable detail and indicate the estimated amount, if practicable, of the indemnifiable Losses that have been or may be sustained by the Indemnitee in respect thereof. If the Indemnitee does not provide notice to the Indemnitor within such 30 Business Day period, then such failure shall only lessen or limit the Indemnitee's rights to indemnity hereunder to the extent that the defence of the Third Party Claim was prejudiced by such lack of timely notice;

(b) if the Indemnitor acknowledges to the Indemnitee in writing that the Indemnitor is responsible to indemnify the Indemnitee in respect of the Third Party Claim pursuant hereto, the Indemnitor shall have the right to take either or both of the following actions:

- (i) assume carriage of the defence of the Third Party Claim using legal counsel of its choice and at its sole cost; and/or
- (ii) settle the Third Party Claim, provided the Indemnitor pays the full monetary amount of the settlement and the settlement does not impose any restrictions or obligations on the Indemnitee, and provided a full and final unconditional release in favour of the Vendor and/or the Debtor, as applicable, and their respective Representatives is obtained in form and substance satisfactory to the Vendor, acting reasonably;

(c) if the Indemnitor acknowledges to the Indemnitee in writing that the Indemnitor is responsible to indemnify the Indemnitee in respect of a Third Party Claim pursuant hereto, the Indemnitee shall not enter into any settlement, consent order or other compromise with respect to the Third Party Claim without the prior written consent of the Indemnitor (which consent shall not be unreasonably withheld, conditioned or delayed), unless the Indemnitee waives its rights to indemnification in respect of the Third Party Claim;

(d) each Party shall co-operate with the other Party in the defence of the Third Party Claim, including making available such of its personnel to the other Party and its Representatives whose assistance, testimony or presence is of material assistance in evaluating and defending the Third Party Claim;

(e) upon payment of the Third Party Claim, the Indemnitor shall be subrogated to all Claims the Indemnitee may have relating thereto. The Indemnitee shall give such further assurances and do such things to co-operate with the Indemnitor to permit the Indemnitor to pursue such subrogated Claims as reasonably requested from it; and

(f) if the Indemnitor has paid an amount pursuant to the indemnification obligations herein and the Indemnitee shall subsequently be reimbursed from any source in respect of the Third Party Claim from any Third Party which results in the Indemnitee receiving, in the aggregate, more than the amount of the Third Party Claim, the Indemnitee shall promptly pay the amount of the reimbursement (including interest actually received) in excess of the Third Party Claim to the Indemnitor, net of taxes required to be paid by the Indemnitee as a result of any such receipt.

ARTICLE 7 **MAINTENANCE OF ASSETS**

7.1 Maintenance of Assets

From the date hereof until the Closing Date:

(a) the Vendor shall use reasonable commercial efforts, to the extent that the nature of its interest permits, and subject to the Receivership Order and any other agreements and documents to which the Assets are subject, to:

- (i) maintain the Assets in a proper and prudent manner in material compliance with all Applicable Laws and directions of Governmental Authorities; and

- (ii) pay or cause to be paid all costs and expenses relating to the Assets which become due from the date hereof to the Closing Date, including all insurance premiums payable in connection therewith;

provided that nothing contained in the foregoing or elsewhere in this Agreement shall obligate the Vendor to post security, make any other financial contribution or file any undertaking with the Regulator with respect to the Regulator's Licensee Liability Rating Program or successor program, as applicable; and

- (b) except with the prior written consent of the Purchaser or otherwise in the ordinary course of business, the Vendor shall not dispose of any interest in the Assets or enter into any material transaction affecting any of the Assets or which interferes with or is inconsistent with the completion of the Transaction.

7.2 Consent of Purchaser

Notwithstanding Section 7.1, the Vendor shall not from the date hereof to the Closing Date, without the written consent of the Purchaser, which consent shall not be unreasonably withheld, conditioned or delayed:

- (a) make any commitment or propose, initiate or authorize any capital expenditure with respect to the Assets of which the Vendor's share is in excess of \$25,000, except: (i) in case of an emergency; (ii) as may be reasonably necessary to protect or ensure life and safety; (iii) to preserve the Assets or title to the Assets; or (iv) in respect of amounts which the Vendor may be committed to expend or be deemed to authorize for expenditure without its consent; provided, however, that should the Purchaser withhold its consent or fail to provide its consent in a timely manner and a reduction in the value of the Assets results, there shall be no abatement or reduction in the Purchase Price;
- (b) surrender or abandon any of the Assets, unless an expenditure of money is required to avoid the surrender or abandonment and the Purchaser does not provide same to the Vendor in a timely fashion, in which event the Assets in question shall be surrendered or abandoned without abatement or reduction in the Purchase Price;
- (c) other than in ordinary course of business, materially amend, terminate or enter into any new material agreement or commitment relating to the Assets; or
- (d) sell, encumber or otherwise dispose of any of the Assets or any part or portion thereof excepting: sales of non-material obsolete or surplus equipment; or sales of the Petroleum Substances in the normal course of business.

7.3 Proposed Actions

If an operation or the exercise of any right or option respecting the Assets is proposed in circumstances in which such operation or the exercise of such right or option would result in the Purchaser incurring an obligation pursuant to Section 7.2, the following shall apply to such operation or the exercise of such right or option (hereinafter referred to as the "**Proposal**"):

- (a) the Vendor shall promptly give the Purchaser notice of the Proposal, describing the particulars in reasonable detail;
- (b) the Purchaser shall, not later than 48 hours prior to the time the Vendor is required to make its election with respect to the Proposal, advise the Vendor, by notice, whether the

Purchaser wishes the Vendor to exercise the Vendor's rights with respect to the Proposal on the Purchaser's behalf, provided that the Purchaser's failure to make such election within such period shall be deemed to be the Purchaser's election to participate in the Proposal;

- (c) the Vendor shall make the election authorized (or deemed to be authorized) by the Purchaser with respect to the Proposal within the period during which the Vendor may respond to the Proposal; and
- (d) the Purchaser's election (including its deemed election) to not participate in any Proposal required to preserve the existence of any of the Assets shall not entitle the Purchaser to any reduction of the Purchase Price if the Vendor's Interest therein is terminated as a result of such election and such termination shall not constitute a failure of the Vendor's representatives and warranties relating to such Assets.

7.4 Post-Closing Transition

Following Closing and to the extent to which the Purchaser must be novated into operating agreements and other agreements or documents to which the Assets are subject, until the novation has been effected:

- (a) the Vendor shall not initiate any operation with respect to the Assets, except upon receiving the Purchaser's written instructions, or if the Vendor reasonably determines that such operation is required for the protection of life or property, in which case the Vendor may take such action as it reasonably determines is required, without the Purchaser's written instructions, and shall promptly notify the Purchaser of such intention or actions and of the Vendor's estimate of the costs and expenses therewith associated;
- (b) the Vendor shall forthwith deliver, or cause to be delivered, to the Purchaser all revenues, proceeds and other benefits received by the Vendor with respect to the Assets, provided that the Vendor shall be permitted to deduct from such revenues, proceeds and other benefits, any other costs and expenses which it incurs as a result of such delivery to the Purchaser;
- (c) the Vendor shall, in a timely manner, deliver to the Purchaser all Third Party notices and communications, including authorizations for expenditures and mail ballots and all notices and communications received in respect of the Assets or events and occurrences affecting the Assets, and the Vendor shall respond to such notices pursuant to the Purchaser's written instructions, if received on a timely basis, provided that the Vendor may refuse to follow any instructions which it reasonably believes to be unlawful, unethical or in conflict with any applicable agreement or contract, and provided that nothing shall preclude the Vendor from taking such actions as the Vendor reasonably determines are necessary for the protection of life or property, or as are required by all Applicable Laws, rules, regulations, orders and directions of Governmental Authorities and other competent authorities; and
- (d) the Vendor shall, in a timely manner, deliver to Third Parties all such notices and communications which the Purchaser may reasonably request and all such monies and other items as the Purchaser may reasonably provide in respect of the Assets, provided that the Vendor may (but shall not be obligated to) refuse to follow instructions which it reasonably believes to be unlawful, unethical or in conflict with any applicable agreement or contract.

7.5 Material Transfers and Conveyances

(a) AER License Transfers

- (i) The Vendor acknowledges that the Purchaser will request that the Regulator grant the Purchaser a discretionary waiver from the requirements of the Regulator's Bulletin 2016-21 with respect to the AER Licence Transfers. The Vendor shall provide any information and documentation to the Regulator as may reasonably be required to be provided in connection with such discretionary waiver request made by the Purchaser.
- (ii) Upon the Regulator confirming to the Parties that it is permissible to do so, the Vendor, in its capacity as receiver and manager of the assets, undertakings and properties of Accel Holdings, and not in its personal capacity, shall:
 - (A) submit electronic transfers to the Regulator in respect of licence #F21501 currently held by Accel Holdings; and
 - (B) provide all reasonable assistance to the Purchaser to complete all licence transfer applications required to be processed by the Regulator in respect of licence #F13234 in respect of the Sour Gas Plant, which was contemplated to be transferred to Accel Holdings pursuant to an asset purchase agreement dated May 10, 2018 between Accel Holdings and ARC Resources Ltd. but has not been processed by the Regulator to date. The Vendor and the Purchaser shall, where reasonably practicable and subject to the direction and discretion of the Regulator with respect to such transfers, use skip transfers in connection with the licence transfer application contemplated in this Section 7.5(a)(ii)(B) and any conveyances related thereto, such that the legal title to licence #F13234 shall be transferred by ARC Resources Ltd. directly to the Purchaser.
- (iii) The Purchaser shall accept or ratify such AER Licence Transfers without delay, provided that, if the Purchaser or the Vendor in good faith determine or believe that any of the AER Licence Transfers are not complete and accurate, or the Regulator refuses to process any such AER Licence Transfers because of some defect therein, the Parties shall cooperate to duly complete or to correct such incomplete or inaccurate AER Licence Transfers as soon as practicable and, thereafter, the Vendor shall promptly re-submit such AER Licence Transfers and the Purchaser shall accept or ratify such re-submitted AER Licence Transfers without delay. The Purchaser shall provide any information and documentation in respect of such AER Licence Transfers to the Regulator which are required to be provided by the transferee in connection with the foregoing.
- (iv) The Purchaser shall be responsible for making any deposit or furnishing any other form of security as may be required by the Regulator in connection with the AER Licence Transfers, subject to the terms or requirements of any discretionary waiver obtained from the Regulator in accordance with Section 7.5(a)(i), and otherwise as applicable. All processing fees in respect of the AER Licence Transfers (including any fees required to be paid for expedited service) shall be for Purchaser's account.

- (v) The Purchaser shall bear all costs incurred in connection with the AER Licence Transfers and in preparing and registering any further assurances required in connection with such conveyancing.
- (b) **Surface Rights Transfers**
 - (i) If any Surface Rights are identified by the Purchaser or the Vendor following execution of this Agreement and prior to Closing, the Vendor, in its capacity as receiver and manager of the assets, undertakings and properties of Accel Holdings, and not in its personal capacity, shall initiate requests for the transfers from Accel Holdings to the Purchaser of any such Surface Rights and the Purchaser shall accept the same without delay.
 - (ii) The Purchaser shall bear all costs incurred in connection with the transfers of any Surface Rights and in preparing and registering any further assurances required in connection with such conveyancing.

7.6 Vendor Deemed Purchaser's Agent

- (a) Insofar as the Vendor maintains the Assets and takes actions in relation thereto on the Purchaser's behalf pursuant to this Article 7, the Vendor shall be deemed to have been the Purchaser's agent hereunder. The Purchaser ratifies all actions taken by the Vendor or refrained from being taken by the Vendor pursuant to this Article 7 in such capacity during such period, with the intention that all such actions shall be deemed to be the Purchaser's actions.
- (b) Insofar as the Vendor participates in either operations or the exercise of rights or options as the Purchaser's agent pursuant to this Article 7, the Vendor may require the Purchaser to secure costs to be incurred by the Vendor on the Purchaser's behalf pursuant to such election in such manner as may be reasonably appropriate in the circumstances.
- (c) The Purchaser shall indemnify the Vendor and their Representatives against all Losses which the Vendor or its Representatives may suffer or incur as a result of the Vendor maintaining the Assets as the Purchaser's agent pursuant to this Article 7 or as a result of the Vendor taking or omitting to take any action in accordance with the Purchaser's instruction (including any election deemed to be made pursuant to Section 7.3(b)) or concurrence, or otherwise in accordance with this Agreement. The Purchaser's indemnity obligations in this Section 7.6(c) shall survive the Closing Date indefinitely.

ARTICLE 8 SALES PROCESS

8.1 Sales Process

This Agreement shall constitute the Stalking Horse APA for the purposes of the Sales Process (as described in the Stalking Horse Procedure). Provided the Sales Process Order is granted by the Court, the obligation of the Purchaser to purchase the Assets, assume the Assumed Liabilities and Assumed Contracts and the obligation of the Vendor to sell the Assets pursuant hereto is subject to the Sales Process and the satisfaction of all conditions therein. Notwithstanding the foregoing, the Parties hereby acknowledge and agree as follows:

(c) The Vendor shall prepare all materials, and shall as soon as reasonably practicable after execution of this Agreement: (i) bring an application for the issuance of the Sales Process Order in the Court; and (ii) serve such parties as the Court and the Purchaser, acting reasonably, may require for applications and motions seeking the entry of the Sales Process Order. The Purchaser, at its own expense, shall promptly provide to the Vendor all such information and assistance within the Purchaser's power as the Vendor may reasonably request to obtain the Sales Process Order, including such information as may be required to reasonably evaluate the Purchaser's financial ability to perform its obligations hereunder. The application for the Sales Process Order may be adjourned or rescheduled by the Vendor or its Representatives upon notice to the Purchaser.

(d) Provided that the Sales Process Order is granted by the Court, the Vendor shall comply with the procedures and timelines set out in the Stalking Horse Procedure and shall not waive any provision of, or apply to the Court to amend, or consent to any application by any Person for the amendment of, the Stalking Horse Procedure without the prior written consent of the Purchaser, such consent not to be unreasonably withheld or delayed.

(e) In the event that:

- (i) the Vendor determines that none of the bids made by Third Parties (if any) pursuant to the Sales Process constitute a Superior Offer;
- (ii) a Successful Bid is made by the Purchaser pursuant to the Sales Process;
- (iii) a Successful Bid by a Third Party is not approved by the Court; or
- (iv) a Successful Bid by a Third Party is not completed;

then, as soon as reasonably practicable, each of the Vendor and the Purchaser shall take all actions reasonably necessary to have this Agreement and the Transaction approved pursuant to the Vesting Order and, specifically, the Vendor shall: (A) bring an application for the issuance of the Vesting Order in the Court; and (B) serve such parties as the Court and the Purchaser, acting reasonably, may require for applications and motions seeking the entry of the Vesting Order. The Purchaser, at its own expense, shall promptly provide to the Vendor all such information and assistance within the Purchaser's power as the Vendor may reasonably request to obtain the Vesting Order, including such information as may be required to reasonably evaluate the Purchaser's financial ability to perform its obligations hereunder. The application for the Vesting Order may be adjourned or rescheduled by the Vendor or its Representatives upon notice to the Purchaser.

(f) In the event that a Superior Offer by a Third Party becomes a Successful Bid that is approved by the Court and is subsequently consummated, then, immediately following the completion of the transaction contemplated by the Successful Bid, the Vendor shall pay to the Purchaser a break fee in the amount of \$1,000,000 (the "**Break Fee**") from the proceeds of the Successful Bid.

(g) Upon the successful completion of the transaction contemplated by the Successful Bid by a Third Party: (i) this Agreement shall automatically terminate; and (ii) the Vendor and the Purchaser shall have no further liabilities or obligations to each other with respect to this Agreement or the Transaction, other than those set forth in Section 10.14 and the Break Fee described in Section 8.1(d).

(h) Nothing in this Agreement shall prohibit the Vendor from disclosing this Agreement, the terms and conditions of the Transaction or any other documents or information required or desirable to be disclosed pursuant to, and for the purposes of, the Sales Process.

ARTICLE 9 **PURCHASER'S REVIEW AND ACCESS TO BOOKS AND RECORDS**

9.1 Vendor to Provide Access

Prior to Closing, the Vendor shall, and shall cause the Debtor to, subject to all contractual and fiduciary obligations, at the Calgary offices of the Vendor and the Debtor during normal business hours, provide reasonable access for the Purchaser and its Representatives to the Books and Records to the extent they relate directly to the Assets and are in possession of the Vendor and/or the Debtor, as well as physical access to the Assets (insofar as the Vendor can reasonably provide such access, with such access to be at the Purchaser's sole risk, expense and liability) to facilitate the Purchaser's review of the Assets and title thereto for the purpose of completing this Transaction. The Purchaser shall indemnify and save harmless the Vendor and the Debtor from and against all liabilities, claims and causes of action for personal injury, death or property damage occurring on or to such property as a result of such entry onto the premises, except to the extent that such liabilities, claims and causes of action are caused by the negligence or wilful misconduct of the Vendor and/or the Debtor or their Representatives. The Purchaser shall comply fully with all lawful rules, regulations and instructions issued by the Vendor and the Debtor regarding the Purchaser's actions while upon, entering or leaving such properties. The Purchaser's obligations set forth in this Section 9.1 shall survive the Closing Date indefinitely.

9.2 Access to Information

After Closing and subject to contractual restrictions in favour of Third Parties relative to disclosure, the Purchaser shall, on request from the Vendor, provide reasonable access to the Vendor's Representatives at the Purchaser's offices, during its normal business hours, to the Books and Records which are then in the possession or control of the Purchaser and to make copies thereof, as the Vendor may reasonably require, including for purposes relating to:

- (a) the Vendor's and the Debtor's possession and/or ownership of the Assets (including taxation matters and liabilities and Claims that arise from or relate to acts, omissions, events, circumstances or operations on or before the Closing Date);
- (b) compliance with Applicable Law; or
- (c) any Claim commenced or threatened by any Third Party against the Vendor and/or the Debtor.

9.3 Maintenance of Information

All of the information, materials and other records delivered to the Purchaser pursuant to the terms hereof shall be maintained in good order and good condition and kept in a reasonably accessible location by the Purchaser for a period of two years from the Closing Date.

ARTICLE 10 GENERAL

10.1 Further Assurances

Each Party will, from time to time and at all times after Closing, without further consideration, do such further acts and deliver all such further assurances, deeds and documents as shall be reasonably required to fully perform and carry out the terms of this Agreement.

10.2 Receiver

The Purchaser acknowledges that the Vendor is acting solely in its capacity as the Court-appointed receiver of the Debtor, and not in its personal capacity. Under no circumstances shall the Vendor or any of its Representatives have any liability pursuant to this Agreement, or in relation to the Transaction whether such liability be in contract, tort or otherwise.

10.3 Entire Agreement

Except for the Receivership Order, the Sale Process Order, and the Vesting Order, the provisions contained in any and all documents and agreements collateral hereto shall at all times be read subject to the provisions of this Agreement and, in the event of conflict, except for the Receivership Order, the Sale Process Order, and the Vesting Order, the provisions of this Agreement shall prevail. In the event that Closing occurs, except for the Receivership Order, the Sale Process Order, and the Vesting Order, this Agreement supersedes all other agreements (other than the Confidentiality Agreement entered into between the Debtor and the Purchaser and/or one or more of its Affiliates in connection with the Transaction), documents, writings and verbal understandings between the Parties relating to the subject matter hereof and expresses the entire agreement of the Parties with respect to the Transaction herein.

10.4 Governing Law

This Agreement shall, in all respects, be subject to, interpreted, construed and enforced in accordance with and under the laws of the Province of Alberta and the laws of Canada applicable therein and shall, in every regard, be treated as a contract made in the Province of Alberta and all disputes shall be determined within the proceedings bearing Alberta Court of Queen's Bench Court Action: 2001-06201. The Parties irrevocably attorn and submit to the jurisdiction of the courts of the Province of Alberta and courts of appeal therefrom in respect of all matters arising out of this Agreement.

10.5 Consequential Damages

Under no circumstance shall any of the Parties, their Representatives or their respective directors, officers, employees or agents be liable for any punitive, exemplary, consequential, special, incidental or indirect damages (including for greater certainty, any loss of profits) (collectively, "**Consequential Damages**") that may be alleged to result, in connection with, arising out of, or relating to this Agreement or the Transaction, other than Consequential Damages for which the Vendor and/or the Debtor are liable as a result of a Third Party Claim (which liability of the Vendor and or the Debtor shall be subject to and recoverable under Article 6 (Indemnification)).

10.6 Assignment and Enurement

The Purchaser shall not, without the Vendor's prior written consent, assign any right or interest in this Agreement, except that the Purchaser shall have the right to assign any or all of its rights, interests or obligations hereunder without the consent of the Vendor, to one or more Affiliates of the Purchaser,

provided that: (a) such Affiliate agrees to be bound by the terms of this Agreement; (b) the Purchaser shall remain liable hereunder for any breach of the terms of this Agreement by such Affiliate; (c) such assignment shall not release the Purchaser from any obligation or liability hereunder in favour of the Vendor; and (d) the Purchaser shall acknowledge and confirm its continuing obligations in favour of the Vendor in an assignment and assumption agreement in form and substance satisfactory to the Vendor. This Agreement shall be binding upon and shall enure to the benefit of the Parties and their respective administrators, trustees, receivers, successors and permitted assigns.

10.7 Time of Essence

Time is of the essence in this Agreement.

10.8 Notices

The addresses, fax numbers and e-mail addresses of the Parties for delivery of notices hereunder shall be as follows:

Vendor: PricewaterhouseCoopers Inc.
3100, 111 5th Avenue SW
Calgary, AB T2P 5L3

Attention: Rick Osuna
Fax: (403) 781-1825
Email: rick.f.osuna@pwc.com

Purchaser: Canadian Future Fuels Corporation
2830, 181 Bay Street
Toronto, Ontario M5J 2T3

Attention: Casey Howell
Fax: (416) 981-3393
Email: casey@thirdeyecapital.com

All notices, communications and statements required, permitted or contemplated hereunder shall be in writing, and shall be delivered as follows:

- (a) by delivery to a Party between 8:00 a.m. and 4:00 p.m. on a Business Day at the address of such Party for notices, in which case, the notice shall be deemed to have been received by that Party when it is delivered;
- (b) by facsimile or e-mail to a Party to the facsimile number of such Party for notices, in which case, if the notice was faxed or e-mailed prior to 4:00 p.m. on a Business Day, the notice shall be deemed to have been received by that Party when it was faxed and if it is faxed or e-mailed on a day which is not a Business Day or is faxed or e-mailed after 4:00 p.m. on a Business Day, it shall be deemed to have been received on the next following Business Day; or
- (c) except in the event of an actual or threatened postal strike or other labour disruption that may affect mail service, by first class registered postage prepaid mail to a Party at the address of such Party for notices, in which case, the notice shall be deemed to have been received by that Party on the fourth Business Day following the date of mailing.

A Party may from time to time change its address for service, facsimile number or e-mail address for service or designated representative by giving written notice of such change to the other Party.

10.9 Invalidity of Provisions

In case any of the provisions of this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

10.10 Waiver

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party and made in accordance with the Agreement. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

10.11 Amendment

This Agreement shall not be amended except by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party.

10.12 Confidentiality and Public Announcements

Until Closing has occurred, each Party shall keep confidential all information obtained from the other Party in connection with the Assets and this Agreement, and shall not release any information concerning this Agreement and the Transaction without the prior written consent of the other Party, which consent shall not be unreasonably withheld. Nothing contained herein shall prevent a Party at any time from furnishing information: (i) to any Governmental Authority or to the public if required by Applicable Law (provided that Purchaser shall advise the Vendor in advance of the content of any such public statement); (ii) in connection with obtaining either the Sale Process Order or the Vesting Order; or (iii) as required to the Debtor's secured creditors.

10.13 Sealing Order

The Vendor may, at its discretion, apply to the Court for a sealing order with respect to a report prepared by the Vendor containing the financial and other confidential details of this Transaction (the "**Confidential Report**"), such order sealing the Vendor's Confidential Report and the confidential information contained therein from the public court file for the period directed by the Court. Pursuant to the terms of such sealing order applied for by the Vendor, only the judge presiding over the receivership proceedings of the Vendor, the Purchaser and their respective Representatives and the secured creditors of the Debtor who have executed confidentiality agreements, and subject to the terms of those confidentiality agreements, shall have access to the Vendor's Confidential Report and the confidential information contained therein.

10.14 Termination

This Agreement may be terminated at any time prior to Closing:

- (a) by mutual written agreement of the Vendor and the Purchaser;

- (b) by either the Vendor or the Purchaser pursuant to the provisions of Sections 3.2, 3.3 or 3.4, as applicable; or
- (c) pursuant to the provisions of Section 8.1(e).

Notwithstanding any termination of this Agreement, the provisions of Section 10.5 (Consequential Damages), Section 10.12 (Confidentiality and Public Announcements) and Section 10.15 (Personal Information) shall remain in full force and effect.

10.15 Personal Information

The Purchaser covenants and agrees to use and disclose any personal information contained in any of the books, records or files transferred to the Purchaser or otherwise obtained or reviewed by the Purchaser in connection with the Transaction only for those purposes for which it was initially collected from or in respect of the individual to which such information relates, unless:

- (a) either the Vendor or the Purchaser has first notified such individual of such additional purpose, and where required by the Applicable Laws, obtained the consent of such individual to such additional purpose; or
- (b) such use or disclosure is permitted or authorized by Applicable Laws, without notice to, or consent from, such individual.
- (c) the Purchaser's obligations set forth in this Section 10.15 shall survive the Closing Date indefinitely.

(Remainder of page intentionally left blank)

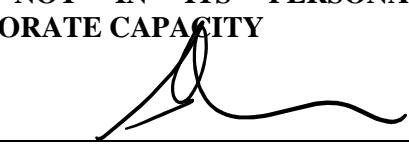
10.16 Counterpart Execution

This Agreement may be executed and delivered in counterpart and transmitted by facsimile or other electronic means and all such executed counterparts, including electronically transmitted copies of such counterparts, shall together constitute one and the same agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

**PRICEWATERHOUSECOOPERS INC. LIT,
SOLELY IN ITS CAPACITY AS RECEIVER
AND MANAGER OF THE ASSETS,
UNDERTAKINGS AND PROPERTIES OF
ACCEL CANADA RESOURCES LIMITED,
AND NOT IN ITS PERSONAL OR
CORPORATE CAPACITY**

Per:



Name: Rick Osuna
Title: Senior Vice President

**CANADIAN FUTURE FUELS
CORPORATION**

Per:

Name:
Title:

10.16 Counterpart Execution

This Agreement may be executed and delivered in counterpart and transmitted by facsimile or other electronic means and all such executed counterparts, including electronically transmitted copies of such counterparts, shall together constitute one and the same agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

**PRICEWATERHOUSECOOPERS INC. LIT,
SOLELY IN ITS CAPACITY AS RECEIVER
AND MANAGER OF THE ASSETS,
UNDERTAKINGS AND PROPERTIES OF
ACCEL CANADA RESOURCES LIMITED,
AND NOT IN ITS PERSONAL OR
CORPORATE CAPACITY**

Per:

Name:

Title:

**CANADIAN FUTURE FUELS
CORPORATION**

Per:



Name: Casey Howell

Title: Director

THE FOLLOWING COMPRISES SCHEDULE "A" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED AUGUST 21, 2020, BETWEEN PRICEWATERHOUSECOOPERS INC. LIT, SOLELY IN ITS CAPACITY AS RECEIVER AND MANAGER OF THE ASSETS, UNDERTAKINGS AND PROPERTIES OF ACCEL CANADA RESOURCES LIMITED, AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY, AND CANADIAN FUTURE FUELS CORPORATION

LANDS AND FACILITIES

I. Sour Gas Plant – Lands

1. FIRST

THE EAST HALF OF THE SOUTH WEST QUARTER OF SECTION TWENTY SEVEN (27) TOWNSHIP FIFTY SIX (56) RANGE TWENTY ONE (21) WEST OF THE FOURTH MERIDIAN, CONTAINING 32.4 HECTARES (80 ACRES) MORE OR LESS EXCEPTING THEREOUT ALL MINES AND MINERALS AND THE RIGHT TO WORK THE SAME

SECOND

THE WEST HALF OF THE SOUTH EAST QUARTER OF SECTION TWENTY SEVEN (27) TOWNSHIP FIFTY SIX (56) RANGE TWENTY ONE (21) WEST OF THE FOURTH MERIDIAN, CONTAINING 32.4 HECTARES (80 ACRES) MORE OR LESS, EXCEPTING THEREOUT 0.886 HECTARES (2.19 ACRES) MORE OR LESS, AS SHOWN ON ROAD PLAN 2712HW. EXCEPTING THEREOUT ALL MINES AND MINERALS AND THE RIGHT TO WORK THE SAME

2. FIRST

MERIDIAN 4 RANGE 21 TOWNSHIP 56
SECTION 15
QUARTER SOUTH WEST
EXCEPTING THEREOUT ALL MINES AND MINERALS AS SET FORTH IN TRANSFER 7632EO
AREA: 64.7 HECTARES (160 ACRES) MORE OR LESS

SECOND

MERIDIAN 4 RANGE 21 TOWNSHIP 56
SECTION 15
QUARTER SOUTH EAST
EXCEPTING THEREOUT ALL MINES AND MINERALS

AS SET FORTH IN TRANSFER 7632EO
AREA: 64.7 HECTARES (160 ACRES) MORE OR LESS

3. MERIDIAN 4 RANGE 21 TOWNSHIP 57
SECTION 16
QUARTER SOUTH EAST
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 64.7 HECTARES (160 ACRES) MORE OR LESS

4. MERIDIAN 4 RANGE 21 TOWNSHIP 57
SECTION 16
QUARTER SOUTH WEST
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 64.7 HECTARES (160 ACRES) MORE OR LESS

5. THE NORTH HALF OF THE NORTH EAST QUARTER OF
SECTION SIXTEEN (16)
TOWNSHIP FIFTY SEVEN (57)
RANGE TWENTY ONE (21)
WEST OF THE FOURTH MERIDIAN
CONTAINING 32.4 HECTARES (80) ACRES, MORE OR LESS
EXCEPTING THEREOUT: THE MOST SOUTHERLY TEN (10)
THROUGHOUT, CONTAINING 16.2 HECTARES (40) ACRES, MORE OR LESS.
EXCEPTING THEREOUT ALL MINES AND MINERALS

6. FIRST
MERIDIAN 4 RANGE 21 TOWNSHIP 57
SECTION 28
QUARTER SOUTH WEST
CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS
EXCEPTING THEREOUT:
0.807 HECTARES (1.99 ACRES) MORE OR LESS,
FOR ROAD AS SHOWN ON ROAD PLAN 8122841
EXCEPTING THEREOUT ALL MINES AND MINERALS

SECOND
MERIDIAN 4 RANGE 21 TOWNSHIP 57
SECTION 28
QUARTER SOUTH EAST
CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS
EXCEPTING THEREOUT:
0.806 HECTARES (1.99 ACRES) MORE OR LESS
FOR ROAD AS SHOWN ON ROAD PLAN 8122841
EXCEPTING THEREOUT ALL MINES AND MINERALS

7. MERIDIAN 4 RANGE 21 TOWNSHIP 57

SECTION 29

QUARTER SOUTH EAST

CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS.

EXCEPTING THEREOUT:

A) 0.397 HECTARES (0.98 ACRES) MORE OR LESS FOR ROAD AS SHOWN
ON ROAD PLAN 3476MC

B) 0.802 HECTARES (1.98 ACRES) MORE OR LESS FOR ROAD AS SHOWN
ON ROAD PLAN 8122841.

EXCEPTING THEREOUT ALL MINES AND MINERALS

II. Sour Gas Plant – Tangibles

(a) Sour Gas Plant facilities

All buildings and structures located at 01-29-057-21W4.

(b) Sour Gas Plant equipment

The following machinery, equipment and facilities located at 01-29-057-21W4:

Prov. Reg #	Equip. #	Serial #	Item Desc.	LSD
			MCC Skid main Electrical and Emergency Generator panels	1-29-57-21W4
	K-1100, K-1200, K-1300 Air compressors	201208200036 201211190060 201407300071	Instrument Air/RO water skid	1-29-57-21W4
		6647	K-200 HP VRU SKID	1-29-57-21W4
		8810	K-300 HP VRU SKID	1-29-57-21W4
		Waukesha Model F3514GSI SER # 5283700982 Ariel Comp JGH/4	K-700 Main Compressor Skid	1-29-57-21W4
		Waukesha Model 5283703562 Ariel Comp JGH/4	K-800 Main Compressor Skid	1-29-57-21W4
0633141 0633142 0633144 0633147 0633169		129188-103 129188-115 129188-201 129188-111 129188-106	Pro Pak Refridge Skid. Sub Cooler, Glycol flash Tank, Refridgerant Accumulator,	1-29-57-21W4

0633212		129188-102	Regenerator, LTS, Chiller, Deethanizer, oil Separator, LPG cooler, Refridge condenser, Gas/Gas Exchanger, Deethanizer Bottoms heater	
			Refridge Cooler Skid	1-29-57-21W4
0633300		138362-111-02	Pro Pak Amine Skid.	1-29-57-21W4
0633301		138362-111-03	Amine	
0633302		138362-111-08	Absorber,Sweet Gas	
0633303		138362-111-09	Scrubber, Lean &	
0633313		138362-111-01	Rich Charcoal	
0633314		138362-111-04	filters, Inlet	
0633315		138362-111-05	filter/separator,	
0634694		138362-111-06	Flash Tank,	
			Stripper/Reflux	
			Accumulator,	
			Reboiler	
			Amine Cooler Skid	1-29-57-21W4
			Gas Chromatograph SKID	1-29-57-21W4
	Non Registered equipment (low pressure) Includes 3 blowers, furnace, 2 catalyst beds, 3 condensors, hot oil system, sulphur storage vessel, piping, truck loading system for molten sulphur.		SRU Skid	1-29-57-21W4
	B-920		SRU Incinerator	1-29-57-21W4
			CEMS Skid	1-29-57-21W4
	V-950		Flare Knockout Drum	1-29-57-21W4
	FS-953		Flare 12" x 100"	1-29-57-21W4
A-0059395		23A-7284	NGL Bullet	1-29-57-21W4
A-0059396		23B-7285	NGL Bullet	1-29-57-21W4

A-0038786		C-5092-V2	Butane Bullet	1-29-57-21W4
A-0041264		C-5093-V1	Butane Bullet	1-29-57-21W4
			Emergency Generator	1-29-57-21W4
	P-100		Butane Pump Skid	

III. Field Battery Assets

The following machinery, equipment and facilities located at 08-29-057-21W4:

Oil Fieldgate and Tank Farm

Prov. Reg #	Equip. #	Serial #	Item Desc.	LSD
0039781	V-100	4949.3	Inlet Surge Separator	8-29-57-21W4
0039782	V-102	4949.3-A	Inlet Surge Separator	8-29-57-21W4
A-68896	V-105	L-1056	Horizontal Treater	8-29-57-21W4
A-68963	V-110	L-1057	Horizontal Treater	8-29-57-21W4
A-68890	V-115	L-1058	Horizontal Treater	8-29-57-21W4
	V-120		Gas Boot 45" 4"x 48"	8-29-57-21W4
	V-125		Gas Boot 45" 4"x 48"	8-29-57-21W4
	V-130		Gas Boot 45" 4"x 48"	8-29-57-21W4

Oil Tanks

Prov. Reg #	Equip. #	Serial #	Item Desc.	LSD
	K-510A	Model # CC2200 GACMDSB-4MS SER# S569818	Tank VRU	8-29-57-21W4

	K-510B	Model # 2200 GAMCMDPB-4MP SER # S252605	Tank VRU	8-29-57-21W4
	SH1		Oil Shipping Tank 3000 bbl	8-29-57-21W4
	SH2		Oil Shipping Tank 3000 bbl	8-29-57-21W4
	SH3		Oil Shipping Tank 3000 bbl	8-29-57-21W4
	F-108	1200-145	Truck loading Incinerator	8-29-57-21W4
	V-106		Flare Knockout Drum	8-29-57-21W4

THE FOLLOWING COMPRISES SCHEDULE "B" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED AUGUST 21, 2020, BETWEEN PRICEWATERHOUSECOOPERS INC. LIT, SOLELY IN ITS CAPACITY AS RECEIVER AND MANAGER OF THE ASSETS, UNDERTAKINGS AND PROPERTIES OF ACCEL CANADA RESOURCES LIMITED, AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY, AND CANADIAN FUTURE FUELS CORPORATION

ASSUMED CONTRACTS

To be completed in connection with finalization of the Vesting Order.

THE FOLLOWING COMPRISES SCHEDULE "C" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED AUGUST 21, 2020, BETWEEN PRICEWATERHOUSECOOPERS INC. LIT, SOLELY IN ITS CAPACITY AS RECEIVER AND MANAGER OF THE ASSETS, UNDERTAKINGS AND PROPERTIES OF ACCEL CANADA RESOURCES LIMITED, AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY, AND CANADIAN FUTURE FUELS CORPORATION

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT made as of this _____ day of _____, 2020.

BETWEEN:

PRICEWATERHOUSECOOPERS INC. LIT, SOLELY IN ITS CAPACITY AS RECEIVER AND MANAGER OF THE ASSETS, UNDERTAKINGS AND PROPERTIES OF ACCEL CANADA RESOURCES LIMITED, AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY (the "Vendor")

- and -

CANADIAN FUTURE FUELS CORPORATION (the "Purchaser")

WHEREAS, pursuant to the Purchase Agreement, the Vendor has agreed to assign all of the Vendor's Interest in, to and under the Assumed Contracts (as described in Schedule "A" hereto) to the Purchaser;

AND WHEREAS, the Purchaser wishes to assume, perform and discharge of all of the Assumed Liabilities contemplated in the Purchase Agreement, whether arising under or in respect of the Assumed Contracts or otherwise;

NOW THEREFORE for the consideration provided in the Purchase Agreement and in consideration of the premises hereto and the covenants and agreements hereinafter set forth and contained, the Parties covenant and agree as follows:

1. Definitions

In this Assignment and Assumption Agreement, including the recitals hereto, the definitions set forth in the Purchase Agreement are adopted herein by reference and, in addition:

"Purchase Agreement" means that Purchase and Sale Agreement dated August 21, 2020, between **PRICEWATERHOUSECOOPERS INC. LIT, SOLELY IN ITS CAPACITY AS RECEIVER AND MANAGER OF THE ASSETS, UNDERTAKINGS AND PROPERTIES OF ACCEL CANADA RESOURCES LIMITED, AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**, and **CANADIAN FUTURE FUELS CORPORATION**.

2. Assignment and Assumption

- (a) Effective as of the Effective Time, the Vendor hereby absolutely assigns, sells and transfers (collectively, the "**Assignment**") to the Purchaser all of the Vendor's right, title and interest in and to, and all benefits of the Vendor and/or the Debtor under, the Assumed Contracts, and all of the Vendor's and/or the Debtor burdens, obligations and liabilities in connection with the Assumed Liabilities including, without limitation, the Assumed Liabilities arising under the Assumed Contracts.
- (b) The Purchaser hereby accepts the Assignment and covenants with the Vendor that it will, from and after the date hereof, assume, discharge and perform all of the duties, obligations and liabilities of the Vendor under each of the Assumed Contracts, and the Purchaser hereby agrees to save the Vendor and the Debtor harmless from any loss, liability, claim, damage or expense suffered or incurred by the Vendor and/or the Debtor as a result of any failure by the Purchaser to discharge, perform or fulfill such assumed obligations and liabilities under the Assumed Liabilities as and from the date hereof including, without limitation, the Assumed Liabilities arising under the Assumed Contracts.
- (c) The Purchaser assumes no Excluded Liabilities, and the parties hereto agree that all such Excluded Liabilities shall remain the sole responsibility of the Vendor and/or the Debtor.
- (d) Nothing in this Assignment and Assumption Agreement, express or implied, is intended or shall be construed to constitute the conveyance, assignment, transfer or assumption of any Assumed Liability that by its terms or by operation of law cannot be assigned, transferred or assumed without approval or consent, unless such approval or consent has been obtained on or prior to the date hereof. In the event such approval or consent has not been obtained on or prior to the date hereof, then any such assumed liability shall be conveyed, assigned, transferred and assumed as soon as such approval or consent has been obtained.

3. Subordinate Document

This Assignment and Assumption Agreement is executed and delivered by the Parties pursuant to the Purchase Agreement and the provisions of the Purchase Agreement shall prevail in the event of a conflict between the provisions of the Purchase Agreement and the provisions of this Assignment and Assumption Agreement.

4. No Merger

The covenants, representations, warranties and indemnities contained in the Purchase Agreement are incorporated herein as fully and effectively as if they were set out herein and there shall be no merger of any covenant, representation, warranty or indemnity contained in the Purchase Agreement by virtue of the execution and delivery hereof, any rule of law, equity or statute to the contrary notwithstanding.

5. Governing Law

This Assignment and Assumption Agreement shall be subject to and interpreted, construed and enforced in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein and shall, in every regard, be treated as a contract made in the Province of Alberta. The Parties irrevocably attorn and submit to the jurisdiction of the courts of the Province of Alberta and courts of appeal therefrom in respect of all matters arising out of this Agreement.

6. Enurement

This Assignment and Assumption Agreement shall be binding upon and shall enure to the benefit of each of the Parties and their respective administrators, trustees, receivers, successors and assigns.

7. Further Assurances

Each Party will, from time to time and at all times hereafter, at the request of the other Party but without further consideration, do all such further acts and execute and deliver all such further documents as shall be reasonably required in order to fully perform and carry out the terms hereof.

8. Counterpart Execution

This Agreement may be executed in counterpart and by facsimile or other electronic means and all such executed counterparts together shall constitute one and the same agreement.

IN WITNESS WHEREOF the Parties have executed this Assignment and Assumption Agreement on the date first above written.

**PRICEWATERHOUSECOOPERS INC. LIT,
SOLELY IN ITS CAPACITY AS RECEIVER
AND MANAGER OF THE ASSETS,
UNDERTAKINGS AND PROPERTIES OF
ACCEL CANADA RESOURCES LIMITED,
AND NOT IN ITS PERSONAL OR
CORPORATE CAPACITY**

**CANADIAN FUTURE FUELS
CORPORATION**

Per:

Name:
Title:

Per:

Name:
Title:

Schedule "A"

Assumed Contracts

[Definitive listing of Assumed Contracts to be inserted in execution version of Assignment and Assumption Agreement.]

THE FOLLOWING COMPRISES SCHEDULE "D" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED AUGUST 21, 2020, BETWEEN PRICEWATERHOUSECOOPERS INC. LIT, SOLELY IN ITS CAPACITY AS RECEIVER AND MANAGER OF THE ASSETS, UNDERTAKINGS AND PROPERTIES OF ACCEL CANADA RESOURCES LIMITED, AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY, AND CANADIAN FUTURE FUELS CORPORATION

GENERAL CONVEYANCE

THIS GENERAL CONVEYANCE made as of this _____ day of _____, 2020.

BETWEEN:

PRICEWATERHOUSECOOPERS INC. LIT, SOLELY IN ITS CAPACITY AS RECEIVER AND MANAGER OF THE ASSETS, UNDERTAKINGS AND PROPERTIES OF ACCEL CANADA RESOURCES LIMITED, AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY (the "Vendor")

- and -

CANADIAN FUTURE FUELS CORPORATION (the "Purchaser")

WHEREAS the Vendor wishes to sell, and the Purchaser wishes to purchase, the Assets subject to and in accordance with the terms and conditions contained herein;

NOW THEREFORE for the consideration provided in the Purchase Agreement and in consideration of the premises hereto and the covenants and agreements hereinafter set forth and contained, the Parties covenant and agree as follows:

1. Definitions

In this General Conveyance, including the recitals hereto, the definitions set forth in the Purchase Agreement are adopted herein by reference and, in addition:

"Purchase Agreement" means that Purchase and Sale Agreement dated August 21, 2020, between **PRICEWATERHOUSECOOPERS INC. LIT, SOLELY IN ITS CAPACITY AS RECEIVER AND MANAGER OF THE ASSETS, UNDERTAKINGS AND PROPERTIES OF ACCEL CANADA RESOURCES LIMITED, AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY** and **CANADIAN FUTURE FUELS CORPORATION**.

2. Conveyance

Pursuant to and for the consideration provided for in the Purchase Agreement, the Vendor hereby sells, assigns, transfers, conveys and sets over to the Purchaser the Vendor's Interest in and to the Assets, to have and to hold the same absolutely, together with all benefit and advantage to be derived therefrom.

3. Subordinate Document

This General Conveyance is executed and delivered by the Parties pursuant to the Purchase Agreement and the provisions of the Purchase Agreement shall prevail in the event of a conflict between the provisions of the Purchase Agreement and the provisions of this General Conveyance.

4. No Merger

The covenants, representations, warranties and indemnities contained in the Purchase Agreement are incorporated herein as fully and effectively as if they were set out herein and there shall be no merger of any covenant, representation, warranty or indemnity contained in the Purchase Agreement by virtue of the execution and delivery hereof, any rule of law, equity or statute to the contrary notwithstanding.

5. Governing Law

This General Conveyance shall be subject to and interpreted, construed and enforced in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein and shall, in every regard, be treated as a contract made in the Province of Alberta. The Parties irrevocably attorn and submit to the jurisdiction of the courts of the Province of Alberta and courts of appeal therefrom in respect of all matters arising out of this Agreement.

6. Enurement

This General Conveyance shall be binding upon and shall enure to the benefit of each of the Parties and their respective administrators, trustees, receivers, successors and assigns.

7. Further Assurances

Each Party will, from time to time and at all times hereafter, at the request of the other Party but without further consideration, do all such further acts and execute and deliver all such further documents as shall be reasonably required in order to fully perform and carry out the terms hereof.

8. Counterpart Execution

This Agreement may be executed in counterpart and by facsimile or other electronic means and all such executed counterparts together shall constitute one and the same agreement.

IN WITNESS WHEREOF the Parties have executed this General Conveyance on the date first above written.

**PRICEWATERHOUSECOOPERS INC. LIT,
SOLELY IN ITS CAPACITY AS RECEIVER
AND MANAGER OF THE ASSETS,
UNDERTAKINGS AND PROPERTIES OF
ACCEL CANADA RESOURCES LIMITED,
AND NOT IN ITS PERSONAL OR
CORPORATE CAPACITY**

Per:

Name:
Title:

**CANADIAN FUTURE FUELS
CORPORATION**

Per:

Name:
Title:

THE FOLLOWING COMPRISES SCHEDULE "E" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED AUGUST 21, 2020, BETWEEN PRICEWATERHOUSECOOPERS INC. LIT, SOLELY IN ITS CAPACITY AS RECEIVER AND MANAGER OF THE ASSETS, UNDERTAKINGS AND PROPERTIES OF ACCEL CANADA RESOURCES LIMITED, AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY, AND CANADIAN FUTURE FUELS CORPORATION

FORM OF BRING-DOWN CERTIFICATE

TO: [Name of Vendor/Purchaser] [(the "Vendor")] [(the "Purchaser")]

RE: Purchase and Sale Agreement dated [date] between Vendor and Purchaser (the "Agreement")

Unless otherwise defined herein, the definitions provided for in the Agreement are adopted in this certificate (the "Certificate").

I, [Name], [Position] of [Name of Vendor/Purchaser] [(the "Vendor")] [(the "Purchaser")] hereby certify that as of the date of this Certificate:

1. Each of the covenants, representations and warranties of the [Vendor][Purchaser] contained in Article 4 of the Agreement were true and correct in all material respects when made and remain true and correct in all material respects up to the Effective Time.
2. All obligations of [Vendor] [Purchaser] contained in the Agreement to be performed prior to or at Closing have been timely performed in all material respects.
3. This Certificate is made for and on behalf of the [Vendor] [Purchaser] and is binding upon it, and I am not incurring, and will not incur, any personal liability whatsoever with respect to it.
4. This Certificate is made with full knowledge that the [Vendor] [Purchaser] is relying on the same for the Closing of the Transaction.

IN WITNESS WHEREOF I have executed this Certificate this ____ day of _____, 2020.

[Name of Vendor/Purchaser]

Per: _____

Name: _____

Title: _____

THE FOLLOWING COMPRISES SCHEDULE "F" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED AUGUST 21, 2020, BETWEEN PRICEWATERHOUSECOOPERS INC. LIT, SOLELY IN ITS CAPACITY AS RECEIVER AND MANAGER OF THE ASSETS, UNDERTAKINGS AND PROPERTIES OF ACCEL CANADA RESOURCES LIMITED, AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY, AND CANADIAN FUTURE FUELS CORPORATION

FORM OF VESTING ORDER

(attached)

A.

CLERK'S STAMP

COURT FILE NUMBER

2001 – 06201

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

PLAINTIFF

THIRD EYE CAPITAL CORPORATION in its capacity as administrative agent under that certain Credit Agreement dated November 9, 2018

DEFENDANTS

ACCEL CANADA RESOURCES LIMITED and MICHAEL WILLIAMS

DOCUMENT

APPROVAL AND VESTING ORDER
(Sale by Receiver)

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

BENNETT JONES LLP
Barristers and Solicitors
#4500, 855 – 2nd Street S.W.
Calgary, Alberta T2P 4K7

Attention: Alexis Teasdale and Keely Cameron
Telephone No.: 403-298-3067/3324
Fax No.: 403-265-7219
Client File No.: 87754.7

DATE ON WHICH ORDER WAS PRONOUNCED: _____

NAME OF JUDGE WHO MADE THIS ORDER: _____

LOCATION OF HEARING: _____

UPON THE APPLICATION by PricewaterhouseCoopers Inc., LIT in its capacity as the Court-appointed receiver (the “**Receiver**”) of the undertakings, property and assets of ACCEL Canada Resources Limited (the “**Debtor**”) for an order approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale (the “**Sale Agreement**”) between the Receiver and Canadian Future Fuels Corporation (the “**Purchaser**”) dated [Date],

and vesting in the Purchaser the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**");

AND UPON HAVING READ the Receivership Order dated [Date] (the "**Receivership Order**"), the First Report of the Receiver dated [Date], and the Affidavit of Service of [•], sworn [Date] (the "**Affidavit of Service**"); **AND UPON HEARING** the submissions of counsel for the Receiver, the Purchaser, [Names of other parties appearing], and no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service;

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, 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 TRANSACTION

2. The Transaction is hereby approved and 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 completion of the Transaction and conveyance of the Purchased Assets to the Purchaser.

VESTING OF PROPERTY

3. Subject only to approval by the Alberta Energy Regulator ("**AER**") of transfer of any applicable licenses, permits and approvals pursuant to section 24 of the *Oil and Gas Conservation Act* (Alberta) and section 18 of the *Pipeline Act* (Alberta), upon delivery of a Receiver's certificate to the Purchaser substantially in the form set out in **Schedule "A"** hereto (the "**Receiver's Closing Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets listed in **Schedule "B"** hereto shall vest absolutely in the name

of the Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, “**Claims**”) including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Receivership Order;
- (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system;
- (c) any liens or claims of lien under the *Builders’ Lien Act* (Alberta); and
- (d) those Claims listed in **Schedule “C”** hereto (all of which are collectively referred to as the “**Encumbrances**”, which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule “D”** hereto (collectively, “**Permitted Encumbrances**”))

and for greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets

4. Upon delivery of the Receiver’s Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, “**Governmental Authorities**”) are hereby authorized, requested and directed to accept delivery of such Receiver’s Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge

statements of conveyance as may be required to convey to the Purchaser or its nominee clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing:

- (a) the Registrar of Land Titles (“**Land Titles Registrar**”) for the lands defined below shall and is hereby authorized, requested and directed to forthwith:
 - (i) cancel existing Certificates of Title No. * for those lands and premises municipally described as *, and legally described as:

*

(the “**Lands**”)
 - (ii) issue a new Certificate of Title for the Lands in the name of the Purchaser, namely, Canadian Future Fuels Corporation;
 - (iii) transfer to the New Certificate of Title the existing instruments listed in Schedule “**D**”, to this Order, and to issue and register against the New Certificate of Title such new caveats, utility rights of ways, easements or other instruments as are listed in Schedule “**D**”; and
 - (iv) discharge and expunge the Encumbrances listed in Schedule “**C**” to this Order and discharge and expunge any Claims including Encumbrances (but excluding Permitted Encumbrances) which may be registered after the date of the Sale Agreement against the existing Certificate of Title to the Lands;
- (b) Alberta Energy (“**Energy Ministry**”) shall and is hereby authorized, requested and directed to forthwith:
 - (v) cancel and discharge those Claims including builders’ liens, security notices, assignments under section 426 (formerly section 177) of the *Bank Act* (Canada) and other Encumbrances (but excluding Permitted Encumbrances) registered (whether before or after the date of this Order)

against the estate or interest of the Debtor in and to any of the Purchased Assets located in the Province of Alberta; and

- (vi) transfer all Crown leases listed in Schedule “E” to this Order standing in the name of the Debtor, to the Purchaser free and clear of all Claims including Encumbrances but excluding Permitted Encumbrances;
- (c) the Registrar of the Alberta Personal Property Registry (the “**PPR Registrar**”) shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Debtor in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.

5. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Receiver’s Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims including Encumbrances but excluding Permitted Encumbrances.
6. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Sale Agreement, other than any required approval by the AER referenced in paragraph 3 above.
7. Upon delivery of the Receiver’s Closing Certificate together with a certified copy of this Order, this Order shall be immediately registered by the Land Titles Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed. The

Land Titles Registrar is hereby directed to accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtor and not in its personal capacity.

8. For the purposes of determining the nature and priority of Claims, net proceeds from 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 from and after delivery of the Receiver's Closing Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from 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. Unless otherwise ordered (whether before or after the date of this Order), the Receiver shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets without further order of this Court, provided however the Receiver may apply any part of such net proceeds to repay any amounts the Receiver has borrowed for which it has issued a Receiver's Certificate pursuant to the Receivership Order.
9. Except as expressly provided for in the Sale Agreement, the Purchaser shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtor.
10. Upon completion of the Transaction, the Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the

extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser.

11. The Purchaser 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 Debtor, or any person claiming by, through or against the Debtor.
12. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.
13. The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate forthwith after delivery thereof to the Purchaser.
14. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada) 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 Debtor's records pertaining to the Debtor's past employees, if any. The Purchaser 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) to which the Debtor was entitled.

MISCELLANEOUS MATTERS

15. Notwithstanding:
 - (a) the pendency of these proceedings and any declaration of insolvency made herein;
 - (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended

(the “BIA”), in respect of the Debtor, and any bankruptcy order issued pursuant to any such applications;

- (c) any assignment in bankruptcy made in respect of the Debtor; and
- (d) the provisions of any federal or provincial statute:

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, 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.

16. The Receiver, the Purchaser and any other interested party, shall be at liberty to apply for further advice, assistance and direction 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.
17. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, 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 order and to provide such assistance to the Receiver, as an officer of the 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.
18. Service of this Order shall be deemed good and sufficient by:
 - (a) Serving the same on:

- (i) the persons listed on the service list created in these proceedings;
- (ii) any other person served with notice of the application for this Order;
- (iii) any other parties attending or represented at the application for this Order;
- (iv) the Purchaser or the Purchaser's solicitors; and

(b) Posting a copy of this Order on the Receiver's website at:

www.pwc.com/ca/accel-canada-resources-limited

and service on any other person is hereby dispensed with.

19. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

Justice of the Court of Queen's Bench of Alberta

Schedule “A”**Form of Receiver’s Certificate**

COURT FILE NUMBER	2001 – 06201
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	THIRD EYE CAPITAL CORPORATION in its capacity as administrative agent under that certain Credit Agreement dated November 9, 2018
DEFENDANTS	ACCEL CANADA RESOURCES LIMITED and MICHAEL WILLIAMS
DOCUMENT	<u>RECEIVER'S CERTIFICATE</u>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	BORDEN LADNER GERVAIS LLP Barristers and Solicitors 1900, 520 – 3rd Avenue S.W. Calgary, Alberta T2P 0R3

Attention: Robyn Gurofsky and Jessica L. Cameron
 Telephone No.: 403-232-9774/9715
 Fax No.: 403-266-1395
 Client File No.: [●]

RECITALS

- A. Pursuant to an Order of the Honourable Justice K.M. Horner of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the “Court”) dated July 15, 2020, PricewaterhouseCoopers Inc., LIT was appointed as the receiver (the “Receiver”) of the undertakings, property and assets of ACCEL Canada Resources Limited (the “Debtor”).
- B. Pursuant to an Order of the Court dated [Date], the Court approved the agreement of purchase and sale made as of [Date of Agreement] (the “Sale Agreement”) between the

Receiver and Canadian Future Fuels Corporation (the “Purchaser”) and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Assets, which vesting is to be effective with respect to the Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Assets; (ii) that the conditions to Closing as set out in sections 3.2, 3.3, and 3.4 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, capitalized terms 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 section 3.2, 3.3, and 3.4 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at [Time] on [Date].

PricewaterhouseCoopers Inc., LIT, in its capacity as Receiver of the undertakings, property and assets of ACCEL Canada Resources Limited, and not in its personal capacity.

Per; _____

Name:

Title:

Schedule "B"

Purchased Assets

The Purchased Assets consist of the Assets (as defined in the Sale Agreement, and each subsequent capitalized term herein having the respective meaning as defined therein), including, without limitation, (i) the Lands; (ii) the Facilities; (iii) the Tangibles; (iv) the Miscellaneous Interests; (v) all Accounts Receivable; (vi) all Cash and Cash Equivalents; (vii) all Books and Records in the possession of the Receiver, which, as at the date of the Sale Agreement do not include any financial or accounting records; (viii) all rebates payable to the Vendor and/or the Debtor in relation to the operation of the Assets; (ix) agreements (including all software licenses and information technology licenses), documents or data to the extent that they pertain to any intellectual property, owned by a third party, provided that only the licensed interest of Vendor and/or the Debtor in and to such intellectual property shall form part of the Assets; (x) all rights, Claims, actions and similar rights against any person to the extent related to the Assets or the Assumed Liabilities; but excluding, for greater certainty, the Excluded Assets.

**Schedule "C"
Encumbrances**

[To be completed]

Schedule "D"
Permitted Encumbrances

[To be completed]

Schedule "E"
Crown Leases

[To be completed]

THE FOLLOWING COMPRISES SCHEDULE "G" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED AUGUST 21, 2020, BETWEEN PRICEWATERHOUSECOOPERS INC. LIT, SOLELY IN ITS CAPACITY AS RECEIVER AND MANAGER OF THE ASSETS, UNDERTAKINGS AND PROPERTIES OF ACCEL CANADA RESOURCES LIMITED, AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY, AND CANADIAN FUTURE FUELS CORPORATION

EXCLUDED ASSETS

1. Capital Lease Agreement dated effective as of November 9, 2018 between Accel Canada Holdings Limited and Accel Canada Resources Limited.

THE FOLLOWING COMPRISES SCHEDULE "H" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED AUGUST 21, 2020, BETWEEN PRICEWATERHOUSECOOPERS INC. LIT, SOLELY IN ITS CAPACITY AS RECEIVER AND MANAGER OF THE ASSETS, UNDERTAKINGS AND PROPERTIES OF ACCEL CANADA RESOURCES LIMITED, AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY, AND CANADIAN FUTURE FUELS CORPORATION

STALKING HORSE PROCEDURE

Procedure for the Sales Solicitation Process of Accel Canada Resources Limited

1. On July 15, 2020, a receivership order (the “**Receivership Order**”) was made with respect to Accel Canada Resources Limited (“**ACRL**”) pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the “**BIA**”) and the *Judicature Act*, RSA 2000, c J-2, by the Alberta Court of Queen’s Bench (the “**Court**”). Among other things, the Receivership Order granted a stay of proceedings in respect of ACRL and appointed PricewaterhouseCoopers Inc., LIT as receiver (the “**Receiver**”) of ACRL and of all of ACRL’s current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the “**Property**”).
2. Pursuant to the Receivership Order, the Receiver is authorized to market any or all of ACRL’s Property, including advertising and soliciting offers in respect of the Property, or any part or parts thereof, and to negotiate such terms and conditions of sale as the Receiver in its discretion may deem appropriate.
3. On August 28, 2020, the Receiver obtained an order from the Court (the “**Sales Process Order**”), which, among other things, approved the procedures (the “**Stalking Horse Procedure**”) for the Receiver’s sales solicitation process respecting ACRL’s Property (the “**Sales Process**”).
4. Set forth below is the procedure to be followed with respect to the Sales Process to be undertaken to seek a Successful Bid (as defined below), and if there is a Successful Bid, to complete the transactions contemplated by the Successful Bid.

Defined Terms

5. All monetary references shall be in Canadian dollars, unless otherwise stated.
6. In this Stalking Horse Procedure:

“**ACRL Credit Agreement**” means the credit agreement between ACRL, as borrower and TEC, as administrative agent and the lenders from time to time party thereto, dated November 9, 2018;

“**Affiliates**” has the meaning ascribed thereto in the Stalking Horse APA;

“Assets” means the Assets as defined in the Stalking Horse APA;

“Break Fee” means the amount of \$1,000,000;

“Business Day” means a day, other than a Saturday or Sunday, on which banks are open for business in the City of Calgary;

“Debt” means the debt owed by ARCL to TEC, in its capacity as administrative agent for various lenders from time to time, pursuant to the ACRL Credit Agreement, including all principal and all interest and costs totaling \$28,916,767.12 (as at July 31, 2020), with interest and costs accruing thereon as of Closing (as that term is defined in the Stalking Horse APA);

“Priority Charges” means all claims against ACRL or the Assets that rank in priority to the TEC Security, including all outstanding non-linear property taxes owing in respect of the Assets contained in the Stalking Horse APA, but which do not include the Receivership Obligations;

“Receivership Charges” means the charges created by the Receivership Order that rank in priority to the TEC Security, totaling a maximum aggregate value of \$350,000, comprised of:

- (a) the Receiver’s Charge up to a maximum aggregate value of \$250,000; and
- (b) the Receiver’s Borrowings Charge up to a maximum aggregate value of \$100,000;

“Receivership Obligations” means the indebtedness, liabilities and obligations secured by the Receivership Charges;

“Stalking Horse APA” means the Asset Purchase and Sale Agreement between the Receiver and the Stalking Horse Bidder, dated August 21, 2020;

“Stalking Horse Bidder” means Canadian Future Fuels Corporation, a special purpose vehicle controlled by funds managed, advised or directed by TEC or its Affiliates;

“Superior Offer” means a credible, reasonably certain and financially viable third party offer for the acquisition of the Assets contained in the Stalking Horse APA, the terms of which offer are no less favourable and no more burdensome or conditional than the terms contained in the Stalking Horse APA, and which at a minimum includes:

- i) a payment in cash in excess of \$500,000 of the aggregate of the total consideration payable pursuant to the Stalking Horse APA,
- ii) a payment in cash in the amount necessary to fully pay the Break Fee and the Receivership Obligations, as at the closing of such transaction, and
- iii) a payment in cash or an assumption of liabilities to satisfy any and all Priority Charges, as at the closing of such transaction;

“TEC” means Third Eye Capital Corporation, and in the appropriate context, any applicable affiliate of, or assignee of, or lenders arranged by, TEC; and

“TEC Security” means the security which secures the Debt.

Stalking Horse APA

7. This Sales Process is intended to solicit interest in a sale of the Assets of ACRL (the “Opportunity”).
8. The Receiver has entered into the Stalking Horse APA with the Stalking Horse Bidder, pursuant to which, if there is no Successful Bid (as defined below) from a party other than the Stalking Horse Bidder, the Stalking Horse Bidder will acquire the Assets as more particularly detailed in the Stalking Horse APA. The Stalking Horse APA is attached hereto as **Schedule “C”**.
9. The Stalking Horse APA shall constitute a Qualified Bid for all purposes and at all times under this Sales Process.
10. Notwithstanding the execution of the Stalking Horse APA, all interested parties are encouraged to submit bids respecting the Opportunity pursuant to this Sales Process.
11. Certain bid protections, such as the Break Fee and expense reimbursement, have been approved in respect of the Stalking Horse APA, subject to the conditions set forth therein, by the Court pursuant to the Sales Process Order. No other bidder may request or receive any form of bid protection as part of any offer made pursuant to this Sales Process.

Stalking Horse Procedure

12. The Sales Process set forth herein describes, among other things, the Assets available for sale, the manner in which prospective bidders may gain access to or continue to have access to due diligence materials concerning the Assets, the manner in which bidders and bids become Qualified Bidders and Qualified Bids (each as defined below), respectively, the receipt and negotiation of bids received, the ultimate selection of a Successful Bidder (as defined below) and the Court’s approval thereof. The Receiver shall administer the Sales Process in accordance with this Stalking Horse Procedure. In the event that there is disagreement as to the interpretation or application of the Sales Process, the Court will have jurisdiction to hear and resolve such dispute.
13. The Receiver will use its reasonable efforts to complete the Sales Process in accordance with the timelines as set out in **Schedule “B”** hereto. The Receiver shall be permitted to make such adjustments to the timeline that it determines are reasonably necessary.

“As Is, Where Is”

14. The sale of the Assets will be on an "as is, where is" basis and without surviving representations, warranties, covenants or indemnities of any kind, nature, or description by the Receiver or any of its agents, except to the extent set forth in the relevant final sale agreement with a Successful Bidder. The representations, warranties, covenants or indemnities shall not be materially more favourable than those set out in the Stalking Horse APA, except to the extent additional tangible monetary value of an equivalent amount is provided for such representations, warranties, covenants or indemnities.

Free of Any and All Claims and Interests

15. In the event of a sale, all of the rights, title and interests of ACRL in and to the Assets will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options and interests thereon and there against (collectively the "**Claims and Interests**"), such Claims and Interests to attach to the net proceeds of the sale of such Assets (without prejudice to any claims or causes of action regarding the priority, validity or enforceability thereof), pursuant to an approval and vesting order made by the Court, upon the application of the Receiver, except to the extent otherwise set forth in the relevant sale agreement with a Successful Bidder. The vesting out of Claims and Interests by a Successful Bidder other than the Stalking Horse Bidder shall not be materially more favourable to the Successful Bidder than those set out in the Stalking Horse APA, except to the extent additional tangible monetary value of an equivalent amount is provided for the vesting out of such Claims and Interests.

Publication of Notice and Teaser

16. As soon as reasonably practicable after the granting of the Sales Process Order by the Court,

- a. the Receiver shall cause a notice of the Sales Process and such other relevant information which the Receiver considers appropriate, to be published in the *Daily Oil Bulletin* and such other publications as the Receiver may consider appropriate; and
- b. the Receiver shall issue a press release setting out the notice and such other relevant information regarding the Opportunity with Canada Newswire, designating dissemination in Canada and shall invite bids from interested parties.

17. A non-confidential teaser letter prepared by the Receiver (the "**Teaser**") describing the Opportunity and the Sales Process will be made available by the Receiver to prospective purchasers and will be posted on the Receiver's website as soon as practicable following the issuance of the Sales Process Order.

18. A Confidential Information Memorandum ("CIM") describing the Opportunity to acquire the Assets will be made available by the Receiver to prospective purchasers that have executed a non-disclosure agreement with the Receiver, in a form satisfactory to the Receiver, and as more particularly set-forth below.

19. The Receiver will also populate an electronic data room (the “**VDR**”) with detailed listings and other information required for prospective purchasers to perform due diligence on the Assets.

Participation Requirements

20. In order to participate in Sales Process, each person interested in bidding on the Assets (a “**Potential Bidder**”) must deliver to the Receiver at the address specified in **Schedule "A"** hereto (the “**Notice Schedule**”) (including by email or fax transmission), and prior to the distribution of any confidential information by the Receiver to a Potential Bidder (including the CIM and access to the VDR), an executed non-disclosure agreement in form and substance satisfactory to the Receiver, which shall inure to the benefit of any Successful Bidder that closes a transaction contemplated by the Successful Bid (as defined below), and a letter setting forth the identity of the Potential Bidder, the contact information for such Potential Bidder and full disclosure of the direct and indirect principals of the Potential Bidder (a “**Letter of Identification**”).
21. A Potential Bidder that has executed a non-disclosure agreement and provided a Letter of Identification, as described above and who the Receiver determines has a reasonable prospect of completing a transaction contemplated herein, will be deemed a “**Qualified Bidder**” and will be promptly notified of such classification by the Receiver. For the avoidance of doubt, the Stalking Horse Bidder is a Qualified Bidder.

Due Diligence

22. The Receiver shall provide any person deemed to be a Qualified Bidder with a copy of the CIM and access to the VDR and the Receiver shall provide to Qualified Bidders further access to such reasonably required due diligence materials and information relating to the Assets as the Receiver deems appropriate, including virtual presentations by the Receiver and access to further information in the VDR. The Receiver is not obligated to furnish any information relating to the Assets to any person other than to Qualified Bidders.
23. The Receiver and their respective advisors, make no representation or warranty as to the information contained in the CIM, the VDR, or other information to be provided through the due diligence process or otherwise, except to the extent otherwise contemplated under any definitive sale agreement with a Successful Bidder executed and delivered by the Receiver and approved by the Court.

Seeking Qualified Bids from Qualified Bidders

24. A Qualified Bidder that desires to make a bid for the Assets must deliver written copies of a final, binding proposal (the “**Final Bid**”) in the form of a fully executed purchase and sale agreement to the Receiver at the address specified in **Schedule "A"** hereto (including by email or fax transmission) so as to be received by it not later than 12:00 p.m. Calgary time on September 25, 2020, or such other date or time as may be agreed by the Receiver (the “**Final Bid Deadline**”).

Qualified Bids

25. A Final Bid will be considered a Qualified Bid only if (i) it is submitted by a Qualified Bidder and the Final Bid complies with, among other things, the following (a "Qualified Bid"):

- (a) it contains
 - (i) a duly executed purchase and sale agreement based on the form of template purchase and sale agreement posted to the VDR (the "Template PSA"); and
 - (ii) a blackline of the executed purchase and sale agreement to the Stalking Horse APA;
- (b) it includes a letter stating that the Final Bid is irrevocable until there is a Selected Superior Offer (as defined below), provided that if such Qualified Bidder is selected as the Successful Bidder, its Final Bid shall remain an irrevocable offer until the earlier of (i) the completion of the sale to the Successful Bidder and (ii) the outside date stipulated in the Successful Bid;
- (c) it provides written evidence of a firm, irrevocable financial commitment for all required funding or financing of the amounts set out in subsection 25(j);
- (d) it does not include any request for or entitlement to any break fee, expense reimbursement or similar type of payment;
- (e) it is accompanied by a refundable deposit (the "Deposit") in the form of a wire transfer (to a bank account specified by the Receiver), or such other form of payment acceptable to the Receiver, payable to the order of the Receiver, in an amount equal to 10% of the total consideration in the Qualified Bid to be held and dealt with in accordance with this Stalking Horse Procedure;
- (f) it is not conditional upon:
 - (i) the outcome of unperformed due diligence by the Qualified Bidder, and/or
 - (ii) obtaining financing;
- (g) it contains evidence of authorization and approval from the Qualified Bidder's board of directors (or comparable governing body);
- (h) it contains an agreement that the Qualified Bidder submitting such bid, if not chosen as the Successful Bidder, shall serve, without modification to such bid, as a Backup Bidder (as defined below), in the event the Successful Bidder fails to close, provided, however, that the Stalking Horse Bidder shall not be required to serve as Backup Bidder, except to the extent that the Stalking Horse Bidder elects to submit a Minimum Incremental Overbid (as defined below) in the Auction;

- (i) the aggregate consideration to be paid by the Qualified Bidder satisfies the requirements in (i) to (iii) of the definition of Superior Offer in Section 6 above;
- (j) the bid shall contain:
 - a. immediately available funds which in the aggregate equal the amounts set out in (i) and (ii) of the definition of Superior Offer in Section 6 above, and the amount of the Debt, which amounts shall be calculated as of the date of such closing(s), and
 - b. immediately available funds or an assumption of liabilities in an amount sufficient to indefeasibly settle in full all of the associated Priority Charges; and
- (k) it is received by the Final Bid Deadline.

26. The Receiver may waive compliance with any one or more of the requirements specified herein and deem any non-compliant bid to be a Qualified Bid.

27. The Receiver may, following the receipt of any bid, seek clarification with respect to any of the terms or conditions of such bid and/or request and negotiate one or more amendments to such bid prior to determining if the bid should be considered a Qualified Bid.

28. The Receiver shall notify each Qualified Bidder in writing as to whether its bid constitutes a Qualified Bid within five Business Days of the Final Bid Deadline, or at such later time as the Receiver deems appropriate.

Stalking Horse APA

29. The purchase price for the Assets identified in the Stalking Horse APA includes: (i) a non-cash credit bid in the amount of the Debt, as specified in the Stalking Horse APA resulting in that portion of the Debt being satisfied in exchange for the acquisition of the Assets by the Stalking Horse Bidder; and (ii) consideration in an amount sufficient to (a) pay in full in cash on closing, the Receivership Obligations; and (b) pay in full in cash on closing, or through the assumption of liabilities, all Priority Charges.

No Superior Offers

30. If the Receiver determines that none of the Qualified Bids received constitute a Superior Offer, the Receiver shall promptly apply to the Court for an order approving the Stalking Horse APA and vesting title to the Assets subject to the Stalking Horse APA in the name of the Stalking Horse Bidder.

If a Superior Offer is Received

31. If the Receiver determines that one or more of the Qualified Bids constitutes a Superior Offer, and that the Qualified Bidder making each such Qualified Bid (a) has a bona fide interest in completing an acquisition of the Assets; and (b) has the financial capability (based on availability of financing, experience, and other considerations) to consummate such a transaction based on the financial information provided, the Receiver shall provide

the Qualified Bidder(s) making Superior Offers and the Stalking Horse Bidder the opportunity to make further bids through the auction process set out below (the "**Auction**") *provided, however,* that the Receiver may, in its reasonable business judgment, limit the number of Qualified Bidders participating in the Auction.

32. The Receiver will provide unredacted copies of the Qualified Bid which the Receiver believes is the highest or otherwise best Qualified Bid (the "**Starting Bid**") to the Stalking Horse Bidder and to all Qualified Bidders that have made a Superior Offer, prior to 5:00 p.m. (MST) on October 2, 2020. Prior to 12:00 p.m. (MST) on October 6, 2020, each Qualified Bidder that has made a Superior Offer and the Stalking Horse Bidder, must inform the Receiver whether it intends to participate in the Auction (the parties who so inform the Receiver that they intend to participate are hereinafter referred to as the "**Auction Bidder(s)**").

Auction

33. In the event that the Auction is required in accordance with the terms of this Sales Process, it shall be conducted in accordance with the procedures set forth in this paragraph:

- a. The Auction shall commence at 10:00 a.m. (Calgary time) on October 9, 2020, at the Calgary offices of Borden Ladner Gervais LLP, being 1900 520-3rd Avenue SW, Calgary Alberta, or such other place and time as determined by the Receiver and that is timely communicated to all entities entitled to attend at the Auction, and continue thereafter until completed, subject to such adjournments as the Receiver may consider appropriate.
- b. Notwithstanding the foregoing, if circumstances do not permit the Auction to be held in person, the Receiver shall work in good faith with the parties entitled to attend the Auction to arrange for the Auction to be held via videoconference or teleconference, or such other reasonable means as the Receiver deems appropriate.
- c. The Receiver reserves the right to cancel or postpone the Auction.
- d. Except as otherwise set forth herein, the Receiver may waive and/or employ and announce at the Auction additional rules that are reasonable under the circumstances for conducting the Auction, provided that such rules are:
 - i. not inconsistent with the Receivership Order, the Sales Process, the BIA, or any other order of the Court entered in connection with ACRL's receivership proceedings;
 - ii. disclosed to each Auction Bidder; and
 - iii. designed, in the Receiver's business judgment, to result in the highest and otherwise best offer.
- e. Except as otherwise permitted in the Receiver's discretion, only the Receiver and the Auction Bidders, and in each case their respective professional advisors, shall

be entitled to attend the Auction. All Auction Bidders must have at least one individual representative with authority to bind such Auction Bidder present at the Auction.

- f. The Receiver shall arrange for the actual bidding at the Auction to be transcribed or recorded. Each Auction Bidder participating in the Auction shall designate a single individual to be its spokesperson during the Auction.
- g. Each Auction Bidder must confirm on the record, at the commencement of the Auction and again at the conclusion of the Auction, that it has not engaged in any collusion with any other person regarding the Sales Process, and more specifically, with respect to the bidding or any sale, that has not been disclosed to all other Auction Bidders.
- h. Only the Auction Bidders will be entitled to make any Subsequent Bids (as defined below) at the Auction; provided, however, that in the event that any Qualified Bidder elects not to attend and/or participate in the Auction, such Qualified Bidder's Qualified Bid, shall nevertheless remain fully enforceable against such Qualified Bidder if it is selected as the Winning Bid (as defined below).
- i. All Subsequent Bids presented during the Auction shall be made and received in one room on an open basis. All Auction Bidders will be entitled to be present for all Subsequent Bids at the Auction with the understanding that the true identity of each Auction Bidder at the Auction will be fully disclosed to all other Auction Bidders at the Auction and that all material terms of each Subsequent Bid will be fully disclosed to all other Auction Bidders throughout the entire Auction.
- j. Bidding at the Auction will begin with the Starting Bid and continue, in one or more rounds of bidding, so long as during each round at least one subsequent bid is submitted by an Auction Bidder (a "**Subsequent Bid**") that the Receiver determines is (A) for the first round, a higher or otherwise better offer than the Starting Bid, and (B) for subsequent rounds, a higher or otherwise better offer than the Leading Bid (as defined below); in each case by at least the **Minimum Incremental Overbid** (as defined below).
- k. Each bid at the Auction shall provide cash value of at least \$250,000 (the "**Minimum Incremental Overbid**") over the Starting Bid or the Leading Bid, as the case may be.
- l. After the first round of bidding and between each subsequent round of bidding, the Receiver shall announce the bid (including the value and material terms thereof) that it believes to be the highest or otherwise best offer (the "**Leading Bid**"). A round of bidding will conclude after each Auction Bidder has had the opportunity to submit a Subsequent Bid with full knowledge of the Leading Bid in that round.

- m. The Stalking Horse Bidder shall be permitted, in its sole discretion, to submit Subsequent Bids, provided however, that such Subsequent Bids are made in accordance with these Auction rules.
- n. To the extent not previously provided (which shall be determined by the Receiver), an Auction Bidder submitting a Subsequent Bid must submit, at the Receiver's discretion, as part of its Subsequent Bid, written evidence (in the form of financial disclosure or credit-quality support information reasonably acceptable to the Receiver), demonstrating such Auction Bidder's financial wherewithal and ability to close the transaction proposed by the Subsequent Bid. If the Stalking Horse Bidder submits a Subsequent Bid, this paragraph shall only apply to the Stalking Horse Bidder if the cash portion of the Purchase Price in the Stalking Horse Bidder's Subsequent Bid is in excess of the cash portion of the Purchase Price in the Stalking Horse APA.
- o. The Receiver reserves the right to make one or more adjournments in the Auction of not more than 24 hours each, to among other things (i) facilitate discussions between the Receiver and the Auction Bidders; (ii) allow the individual Auction Bidders to consider how they wish to proceed; (iii) consider and determine the current highest and best offer at any given time in the Auction; and (iv) give Auction Bidders the opportunity to provide the Receiver with such additional evidence as the Receiver, in its reasonable business judgment, may require that that Auction Bidder (including, as may be applicable, the Stalking Horse Bidder) has sufficient internal resources, or has received sufficient non-contingent debt and/or equity funding commitments, to consummate the proposed transaction at the prevailing Leading Bid amount.
- p. If, in any round of bidding, no new Subsequent Bid is made, the Auction shall be closed.
- q. The Auction shall be closed within 5 Business Days of the start of the Auction unless extended by the Receiver.
- r. No bids (from Qualified Bidders or otherwise) shall be considered after the conclusion of the Auction.

34. At the end of the Auction, the Receiver shall select the winning bid (the "**Winning Bid**"). Once a definitive agreement has been negotiated and settled in respect of the Winning Bid (the "**Selected Superior Offer**") in accordance with the provisions hereof, the Selected Superior Offer shall be the "**Successful Bid**" hereunder and the person who made the Selected Superior Offer shall be the "**Successful Bidder**" hereunder. If the Successful Bidder is a party other than the Stalking Horse Bidder, the Receiver shall pay the Stalking Horse Bidder the Break Fee from the proceeds of the Successful Bid.

35. Notwithstanding anything in this Sales Process to the contrary, if an Auction is conducted, the Qualified Bidder with the next highest or otherwise best Qualified Bid at the Auction, as determined by the Receiver, will be designated as the backup bidder (the "**Backup**

Bidder"); provided that the Stalking Horse Bidder shall not be a Backup Bidder, unless it elects to provide a Minimum Incremental Overbid in the Auction. The Backup Bidder shall be required to keep its initial Qualified Bid, or if the Backup Bidder submitted one or more Minimum Incremental Overbids at the Auction, the Backup Bidder's final Minimum Incremental Overbid (the "**Backup Bid**"), open until the earlier of: i) two Business Days after the date of closing of the Successful Bid, and ii) the Outside Date.

Approval Motion

36. The Receiver shall apply to the Court (the "**Approval Motion**") for an order (the "**Sale Approval and Vesting Order**") approving the Successful Bid, and/or the Backup Bid (if applicable), and authorizing the Receiver to enter into any and all necessary agreements with respect to the Successful Bidder and/or the Backup Bidder, as the case may be, as well as an order vesting title to the Assets subject to such bid in the name of the Successful Bidder and/or the Backup Bidder as the case may be.
37. The Approval Motion will be held on a date to be scheduled by the Court upon application by the Receiver. The Approval Motion may be adjourned or rescheduled by the Receiver without further notice by an announcement of the adjourned date at the Approval Motion or in a notice to the Service List prior to the Approval Motion.
38. All Qualified Bids and Subsequent Bids (other than the Successful Bid and/or the Backup Bid, as the case may be) shall be deemed rejected on and as of the date and granting of the Sale Approval and Vesting Order by the Court, but not before, and shall remain open for acceptance until that time.

Deposits

39. All Deposits shall be retained by the Receiver and invested in a non-interest bearing trust account. If there is a Successful Bid, the Deposit (plus accrued interest) paid by the Successful Bidder whose bid is approved at the Approval Motion, shall be applied to the purchase price to be paid by the Successful Bidder upon closing of the approved transaction and will be non-refundable. The Deposits of Qualified Bidders not selected as either a Successful Bidder shall be returned to such bidders within five (5) Business Days of the date upon which the Sale Approval and Vesting Order is granted by the Court. If there is no Successful Bid, all Deposits shall be returned to the bidders within five (5) Business Days of the date upon which this Sales Process is terminated in accordance with these procedures.

Approvals

40. For greater certainty, the approvals required pursuant to the terms hereof are in addition to, and not in substitution for, any other approvals required by the applicable law in order to implement a Successful Bid.

Confidentiality

41. Other than as shall be required in connection with any Auction or Approval Motion, the Receiver will not share: i) the identity of any Potential Bidder or Qualified Bidder (other than the Stalking Horse Bidder), or ii) the terms of any bid or Qualified Bid (other than the Stalking Horse APA), with any other bidder (including, without limitation, the Stalking Horse Bidder) without the express written consent of such party (including by way of e-mail).

Cost of Participation

42. Participants in the Sales Process are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any bid, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a transaction.

Further Orders

43. At any time during the Sales Process, the Receiver may apply to the Court for advice and directions with respect to any aspect of this Sales Process or the discharge of their respective powers and duties hereunder.

Amendments

44. This Sales Process shall be interpreted so as to comply and be consistent with any applicable laws, regulations or public health directives related to the COVID-19 pandemic, and may be amended at any time by the Receiver to the extent necessary or advisable to comply with same.
45. The Receiver shall have the right to modify the Sales Process and the deadlines set out herein if, in its reasonable business judgment, such modification will enhance the process or better achieve the objectives of the Sales Process.

SCHEDULE "A"

NOTICE

TO THE RECEIVER:

PricewaterhouseCoopers Inc., LIT
Suite 3100, 111-5th Avenue SW
Calgary, AB T2P 5L3
Attention: Paul Darby
Fax: (403) 605-3744
Email: paul.j.darby@pwc.com

SCHEDEULE "B"

TIME LINE

Event	Date
Publication of Opportunity and Sales Process and posting on Receiver's Website	As soon as practical following the granting of the Sales Process Order
Distribute Teaser to Potential Bidders	As soon as practical following the granting of the Sales Process Order
Prepare CIM and VDR for Potential Bidders	As soon as practical following the granting of the Sales Process Order
FINAL BID DEADLINE	September 25, 2020
Notification sent to Qualified Bidders if they submitted a Qualified Bid	5 Business Days Following the Final Bid Deadline
Approval Motion of Stalking Horse APA if no Superior Offers received	As soon as practical following the Final Bid Deadline
Notice to Superior Bidders of Intention to Participate in Auction (If Required)	October 2, 2020
Superior Bidders to Notify of Intention to Participate in Auction (If Required)	October 6, 2020
AUCTION (If Required)	October 9, 2020
Approval Motion of Successful Bid	As soon as practical following the Auction

SCHEDULE “C”
STALKING HORSE APA

