CLERK OF THE COURT

JUN 14 2013

JUDICIAL CENTRE OF CALGARY

COURT FILE NUMBER

1301-07419

COURT

COURT OF QUEEN'S BENCH OF

ALBERTA

JUDICIAL CENTRE

CALGARY

PLAINTIFF

TAKODA RESOURCES INC.

DEFENDANT

IMPACT 2000 INC.

DOCUMENT

AFFIDAVIT OF LAWRENCE CHUA

ADDRESS FOR

Gowling Lafleur Henderson LLP

SERVICE AND

1400, 700 2nd Street SW

CONTACT

Calgary, AB T2P 4V5

INFORMATION OF PARTY

Telephone (403) 298-1000

FILING THIS

Facsimile (403) 263-9193

DOCUMENT

File No. A131510

Attention: Jeffrey Oliver

AFFIDAVIT OF:

LAWRENCE CHUA

SWORN OR AFFIRMED

June 13, 2013

ON:

- I, Lawrence Chua, of the Town of Greenwich, in the State of Connecticut, in the United States of America, MAKE OATH AND SAY THAT:
- 1. I am a Director of the Plaintiff, Takoda Resources Inc. ("Takoda"), and as such, I have personal knowledge of the matters sworn to in this Affidavit except where stated to be based on information and belief, in which case I believe the same to be true.
- 2. I swear this Affidavit in support of an application by the Plaintiff for, among other things:
 - (a) an Order appointing Alvarez & Marsal Canada Inc. as the receiver and manager (the "Receiver") of Impact 2000 Inc. ("Impact");
 - (b) an Order approving a credit bid by Takoda, under which title to the equipment belonging to Impact (the "Equipment") shall vest in the name of Takoda in

- exchange for a reduction in Takoda's secured indebtedness against Impact in the amount of \$1,150,000.00;
- (c) Costs of the application on a solicitor and client basis; and
- (d) Such further and other relief as this Honourable Court may deem just.

Background

- 3. Impact is a corporation incorporated pursuant to the laws of Alberta. Michael Wolowich ("Wolowich") is the sole director of Impact. Attached hereto and marked as Exhibit "A" is a copy of a corporate search of Impact.
- 4. Impact's core business consisted of: (a) providing front end seismic consulting services to oil and gas exploration companies; (b) seismic data collection and marketing; and (c) entering into short term rental agreements for seismic related equipment.
- 5. Takoda is in the business of oilfield services, seismic data acquisition and sales, equipment rental and other related services.
- 6. On November 2, 2012, Impact filed a Notice of Intention to Make a Proposal ("NOI") pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as am ("BIA") in Court File No. 25-094321 (the "Proposal Proceedings"). Alvarez & Marsal Canada Inc. was appointed as the Proposal Trustee (the "Proposal Trustee"). Attached hereto and marked as Exhibit "B" is a copy of the NOI.
- 7. During the course of the Proposal Proceedings, Impact was granted six extensions of time to file its proposal.
- 8. Impact's senior secured creditor at the time of the commencement of the Proposal Proceedings was Canadian Western Bank ("CWB"). Impact granted to and in favour of CWB various facility agreements, promissory notes, security and guarantees (the "Security and Loan Agreements"). A copy of the Security and Loan Agreements, separated into loan documents and security documents, respectively, are attached hereto and marked as Exhibits "C" and "D".
- 9. As of April 15, 2013, the amount owing pursuant to the Security and Loan Agreements to CWB was \$1,118,000.00. I am informed by my review of the Affidavit of Jessie Taha, sworn November 26, 2012 in the Proposal Proceedings, that CWB sent demand letter and a Notice of Intention to Enforce Security pursuant to section 244 of the BIA to Impact on October 24, 2012, copies of which are attached hereto and marked as **Exhibits "E"** and "F", respectively.
- 10. I am informed by my review of the Affidavit of Wolowich sworn on April 17, 2013 and filed in the Proposal Proceedings that on or about April 5, 2013, counsel for CWB served Impact with applications for an Order terminating the Proposal Proceedings and for a Receivership Order against Impact.

- 11. On April 11, 2013, Full Circle Funding, LP made a purchase proposal to the CWB to acquire all loans and other obligations owed by Impact to CWB and all security held by CWB by way of an assignment. Full Circle Funding, LP is an affiliate of Full Circle Capital Corporation, which wholly owns FC Takoda Holdings, LLC, a Delaware limited liability company. FC Takoda Holdings, LLC wholly owns Takoda. Attached hereto and marked as Exhibit "G" is a copy of a corporate search of Takoda.
- 12. Full Circle Capital Corporation is a publically traded Maryland corporation with an office in Rye Brook, New York. Full Circle Funding, LP is private Delaware limited partnership. FC Takoda Holdings, LLC provided the sole funding for the purchase of CWB's security, described below.
- Wolowich is a Director and employee of Takoda, and Wolowich's spouse, Patty Wolowich, is a minority shareholder of Takoda. Patty Wolowich is also a consultant to Takoda pursuant to consulting agreement with Takoda.

Assignment of Security

- 14. Pursuant to an Assignment Agreement dated April 15, 2013, CWB transferred and assigned all of its rights, benefits, obligations, liabilities in connection with the Security Agreements to Takoda, in exchange for the payment of \$1,118,000.00, which was the total amount of the indebtedness owed pursuant to the Security and Loan Agreements as at April 15, 2013. A copy of the Assignment Agreement is attached hereto and marked as **Exhibit "H"**.
- On the same date, counsel for Takoda, Jeffrey Oliver, wrote a letter to the Commercial Coordinator of the Alberta Court of Queen's Bench, Commercial List, advising that CWB's security had been assigned to Takoda and that Takoda was abandoning the applications for a Receivership Order against Impact, without prejudice to its right to pursue such relief in the future upon its own application. A copy of the letter is attached hereto and marked as **Exhibit "I"**.
- 16. The GSA was registered at the Alberta Personal Property Registry on June 11, 2011, registration number 11060925971 (the "GSA Registration"). On April 18, 2013, the GSA Registration was amended to reflect the assignment to Takoda. Attached hereto and marked as Exhibit "J" is a copy of a Personal Property Registry search of Impact.
- 17. As discussed in the paragraph 23 of the Seventh Report of the Proposal Trustee, following the execution of the Assignment Agreement, Takoda and Impact requested that the Proposal Trustee obtain an updated appraisal of Impact's assets and solicit auction bids with respect to its equipment, for the purpose of assessing whether it would sponsor a proposal by Impact to its unsecured creditors. Attached hereto and marked as **Exhibit** "K" is a copy of the Seventh Report of the Proposal Trustee.
- 18. In order to allow Takoda time to make this determination, a final extension was granted by the Honourable Mr. Justice Hawco until May 2, 2013, which I am informed by my review of the Seventh Report of the Proposal Trustee, was the last day under the 180 day

- limitation under the BIA for a proposal to be filed ("Final Extension Order"). A copy of the Final Extension Order is attached hereto and marked as Exhibit "L".
- 19. Based upon the appraisals obtained by the Proposal Trustee, Takoda concluded there was insufficient value in Impact's assets to warrant sponsoring a proposal by Impact. As a result, Impact did not file a proposal in accordance with the Final Extension Order and was deemed bankrupt as of May 3, 2013. Alvarez & Marsal Canada Inc. became the Trustee in Bankruptcy (the "Trustee"). Attached hereto and marked as Exhibit "M" is a copy of the Certificate of Assignment.

Attempted Section 62 Foreclosure

- 20. On May 3, 2013, Takoda served various parties with a Notice of Proposal to Retain Collateral pursuant to section 62 of the Alberta *Personal Property Security Act*, RSA 2000, c P-7 (the "Section 62 Notices"). Copies of the Section 62 Notices are attached hereto and marked as Exhibit "N". Parties with a registered security interest, other than a purchase-money security interest, as well as all judgment creditors, the Canada Revenue Agency and the Wage Earner Protection Program were served with the Section 62 Notices. Attached hereto and previously marked as Exhibit "J" is a copy of an Alberta Personal Property Registry search for Impact.
- 21. In its Report on the Trustee's Preliminary Administration dated May 21, 2013 prepared in relation to Takoda's bankruptcy, the Trustee states that based on the information available to it, the Trustee does not believe there is any equity in the property over the secured claim of Takoda and therefore does not object to Takoda's Section 62 Notice. The Trustee recommended that the property be released to Takoda. Attached hereto and marked as **Exhibit "O"** is a copy of the Report on the Trustee's Preliminary Administration.
- 22. I am informed by Mr. Oliver, and do believe, that on May 9, 2013, he was served with a Notice of Objection by Welclean Land Services Ltd. ("Welclean"), a judgment creditor of Impact. A copy of the Notice of Objection is attached hereto and marked as Exhibit "P". I am further advised by Mr. Oliver and believe it to be true that, based on discussions he had with counsel to Welclean, the basis of the objection related to, among other things, its view that the seismic data owned by Impact (the "Seismic Data") has value that renders the value of Impact's assets near or in excess of Takoda's secured claim.
- As a result of the Notice of Objection served by Welclean, Takoda could not complete the process contemplated by the Section 62 Notices in the absence of a hearing. Rather than proceeding with such a process, which does not permit the Seismic Data to be sold or dealt with separate and apart from the Equipment, Takoda is seeking the appointment of a Receiver to facilitate a transfer of the Equipment to Takoda and a Court-supervised sale of the Seismic Data. By proceeding in this fashion, the market will be tested to determine if there is any value in the Seismic Data.

- 24. Pursuant to the Security and Loan Agreements, as of June 13, 2013, Impact is indebted to Takoda in the total amount of \$1,417,889.80. A Statement of Indebtedness is attached hereto and marked as **Exhibit "Q"**. A portion of the indebtedness includes:
 - (i) an aggregate principal amount of \$1,076,437.22; and
 - (ii) interest in the amount of \$11,741.06; and
 - (iii) costs incurred by CWB in the amount of \$39,198.90.
- 25. Further, certain costs were incurred by Takoda on behalf of Impact, which are secured pursuant to the terms of the Security and Loan Agreements, including:
 - (i) rent for the months of June and July 2013, in the amount of \$11,698.60 in relation to the storage facility of the equipment and other assets owned by Impact;
 - (ii) outstanding insurance costs for the period January 1, 2013 to June 7, 2013, in the amount of \$1,132.00;
 - (iii) the Administration Charge in the amount of \$165,735.56 for the professional fees and disbursements of Alvarez & Marsal Canada Inc., in its capacity as the Proposal Trustee of Impact, Norton Rose Canada (the Proposal Trustee's counsel), and Osler, Hoskin & Harcourt LLP (Impact's counsel) pursuant to paragraphs 3, 4 and 5 of the Order granted by the Honourable Mr. Justice A.D. Macleod on November 29, 2012. A copy of the Order is attached hereto and marked as **Exhibit "R"**. Attached hereto and marked as **Exhibit "S"** are copies of covering letters to the aforementioned parties and cheque numbers 260027048, 260027049, and 260027050, respectively;
 - (iv) the priority charge in the amount of \$65,748.27 in relation to Canada Revenue Agency source deductions to be remitted by Impact. Attached hereto and marked as **Exhibit** "T" are copies of the cover letter to Canada Revenue Agency and cheque number 260027069 in the amount of \$65,748.27; and
 - (v) legal fees of Takoda's counsel pursuant to the terms of the Security and Loan Agreements in the amount of \$46,198.19.

The Equipment

- 26. As discussed above, the Proposal Trustee obtained two appraisals of the Equipment.
- As a secured creditor of Impact, Takoda intends to bid \$1,150,000.00 of its security in order to acquire the Equipment. In that regard, a copy of an Asset Purchase Agreement ("APA") prepared by counsel to Takoda in relation to that acquisition will be attached to a subsequent Affidavit in the within proceedings.

- 28. Based upon my review of the appraisals, the credit bid proposed by Takoda is in excess of the appraised Forced Liquidation Value amounts by \$462,635.00 and \$198,500, respectively. In the circumstances, Takoda would rather acquire the Equipment for use in its day to day business, in exchange for a reduction in its secured indebtedness against Impact, even in excess of the Forced Liquidation Value of the Equipment, rather than collect proceeds of sale from the Equipment.
- 29. Further, Takoda has made arrangements to rent the Equipment to various customers, and therefore Takoda urgently requires the Equipment to fulfill its obligations under such arrangements. The objection of Welclean to the Section 62 Notices has already resulted in a significant delay in Takoda acquiring the Equipment for this purpose.
- 30. Finally, I am concerned that a formal sales process will add time, cost and unnecessary delay to this process, and the value of the assets will further depreciate as time passes. This is a particular concern because, based on the value of the Equipment as described in the appraisals, it does not appear likely that a third party will pay an amount for the Equipment in excess of Takoda's credit bid.
- 31. Therefore, Takoda is seeking the approval of this Honourable Court to allow it to purchase the Equipment immediately in accordance with the APA.

Seismic Data

- 32. I am informed by Mr. Oliver, and do believe, that the Proposal Trustee has not obtained appraisals of the Seismic Data. Therefore, Takoda requests that the Receiver sell the Seismic Data through a sales process, to be approved at a later date by the Court. At the conclusion of that process, it will be apparent whether there is any value to the Seismic Data.
- I am informed by Wolowich, and do believe, that because of cash flow problems of Impact in August 2012, an agreement was reached between Impact and Devon NEC Corporation ("Devon") whereby Devon would make early payments to Impact owed pursuant to a Licensing Contract requiring periodic payments in consideration for a non-exclusive licence to use the Seismic Data, in exchange for a 50% ownership interest in the Seismic Data. Further, the transfer was out of the ordinary course of business and neither Impact nor Devon sought or obtained the consent of CWB to such transaction, notwithstanding that the security interests created by the Security and Loan Agreements attached and continues to attach to the Seismic Data. On June 12, 2013, Takoda registered a financing change statement naming Devon as additional debtor in order to protect its security interests in that portion of the Seismic Data transferred to Devon. A copy of the financing change statement and related verification statement naming Devon as an additional debtor is attached hereto and marked as Exhibit "U".
- 34. I am concerned that the transfer of a 50% ownership interest in the Seismic Data to Devon pursuant to the Licence Agreement was for inadequate or no consideration. Takoda will be requesting that the Trustee review the transaction under the BIA, and consider whether it should be set aside.

- 35. To the extent Takoda has credit remaining after making a credit bid against the Equipment, it may also use that credit against the Seismic Data in a future sales process.
- 36. I make this Affidavit in support of the application of Takoda to appoint a receiver manager over the property, assets and undertakings of Impact, and for no improper purpose.

SWORN BEFORE ME at the Village of)
Rye Brook, New York, United States of)
America this 1314 day of June, 2013)

Notary Public in and for the State of Connecticut, United States of America

LAWRENCE CHUA

SUSAN A CORBIN NOTARY PUBLIC CONNECTICUT MY COMMISSION EXPIRES 11-30-2013

THIS IS EXHIBIT " A "	
to the Affidavit of	
Lawrence Chua	
Sworn before me this 374	
Day of June , 20 13	
Susan a Corbin	
A Commissioner for Oaths/Notary Public	
in and for the Province of Alberta-	
State of Connecticut,	
United States of America	

SUSAN A CORBIN NOTARY PUBLIC CONNECTICUT MY COMMISSION EXPIRES 11-30-2013

Corporation/Non-Profit Search Government of Alberta **Corporate Registration System**

Date of Search:

2013/05/03

Time of Search:

02:15 PM

Search provided by:

GOWLINGS LAFLEUR HENDERSON LLP

Service Request Number:

19656504

Customer Reference Number: A131510/R. COMSTOCK

Corporate Access Number: 208491209

Legal Entity Name:

IMPACT 2000 INC.

Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
849120 ALBERTA LTD.	1999/10/29

Legal Entity Status:

Active

Registration Date:

Alberta Corporation Type: Named Alberta Corporation

1999/10/07 YYYY/MM/DD

Registered Office:

Street:

900, 926 - 5TH AVENUE SW

City:

CALGARY

Province:

ALBERTA

Postal Code:

T2P 0N7

Records Address:

Street:

900, 926 - 5TH AVENUE SW

City:

CALGARY

Province:

ALBERTA

Postal Code:

T2P 0N7

Directors:

Last Name:

WOLOWICH

First Name:

MIKE

Street/Box Number: SITE 2, BOX 83, RR1

City:

DEWINTON

Province:

ALBERTA

Postal Code:

TOL 0X0

Voting Shareholders:

Legal Entity Name:

848891 ALBERTA LTD.

Corporate Access Number: 208488916

Street:

SITE 2, BOX 83, RR#1

City:

DEWINTON

Province:

ALBERTA

Postal Code:

TOL 0X0

Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE SCHEDULE "A" ATTACHED HERETO, WHICH SCHEDULE IS

INCORPORATED INTO AND FORMS A PART OF THIS FORM.

NO SECURITIES OF THE CORPORATION MAY BE TRANSFERRED BY

Share Transfers A HOLDER THEREOF WITHOUT FIRST OBTAINING THE CONSENT OF

Restrictions:

THE BOARD OF DIRECTORS OF THE CORPORATION, AS EVIDENCED

BY A RESOLUTION OF THE SAID BOARD

Min Number Of

Directors:

Max Number Of Directors:

Business

Restricted To:

NONE

Business

Restricted

NONE

From:

Other

SEE SCHEDULE "B" ATTACHED HERETO, WHICH SCHEDULE IS

Provisions:

INCORPORATED INTO AND FORMS A PART OF THIS FORM.

Holding Shares In:

Legal Entity Name

IMPACT 2000 EXPLORATION CONSULTING INC.

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)	
2011	2011/11/01	l

Outstanding Returns:

Annual returns are outstanding for the 2012 file year(s).

Filing History:

List Date (YYYY/MM/DD)	D) Type of Filing		
1999/10/07	Incorporate Alberta Corporation		
1999/10/29	Name Change Alberta Corporation		
2006/07/27	Change Director / Shareholder		
2008/01/21	Change Address		
2011/11/01	Enter Annual Returns for Alberta and Extra-Provincial Corp.		

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	1999/10/07
Other Rules or Provisions	ELECTRONIC	1999/10/07

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



THIS IS EXHIBIT "	
to the Affidavit of	
Lawrence Chua	
Swom before me this	
Day of June , 20 13	
Sugar a Corbin	
A Commissioner for Oaths/Notary Public	
in and for the Province of Alberta	
State of Connecticut,	
United Siboles of America	-

SUSAN A CORBIN NOTARY PUBLIC CONNECTICUT MY COMMISSION EXPIRES 11-30-2013

FORM 33 Notice of Intention To Make a Proposal (Subsection 50.4(1) of the Act)

TAKE NOTICE THAT:

- 1. I, IMPACT 2000 INC., an insolvent person, state, pursuant to subsection 50.4(1) of the *Bankruptcy and Insolvency Act (Canada)*, that I intend to make a proposal to my creditors.
- Alvarez & Marsal Canada Inc., of Bow Valley Square I, Suite 570, 202-6th Avenue SW, Calgary, Alberta, T2P 2R9, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
- 3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
- 4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of the filing of this notice with the official receiver in my locality.

Dated at Calgary, Alberta, this 2nd day of November,	2012.
	Mike Wolowich, President Impact 2000 Inc.
To be completed by the Official Receiver:	
Filing Date	
	Official Receiver

NOTE: If a copy of this Notice is sent electronically by means such as email, the name of the contact information of

the sender, prescribed in Form 1.1, must be added at the end of the document.

THIS IS EXHIBIT "	
to the Affidavit of	
Lawrence Chua	
Sworn before me this	
Day of June , 20 13	
Susew a Corbin	
A Commissioner for Oaths/Notary Public	
in and for the Province of Alberta-	
State of Connecticut,	
I harted States of Amer	

SUSAN A CORBIN
NOTARY PUBLIC
CONNECTICUT
MY COMMISSION EXPIRES 11-30-2013

Form 1150 (12/08)



REVOLVING CREDIT AGREEMENT

To:

CANADIAN WESTERN BANK (the "Bank") 606 - 4th Street S.W. Calgary, Alberta. T2P 1T1

FROM: Impact 2000 Inc.

200, 3016 - 5th Ave. N.E. Calgary, Alberta. T2A 6K4

(the "Borrower")

Re: Revolving Line of Credit (the "Credit")

Credit Limit: \$ 2,000,000.00 (including letters of credit and letters of guarantee)

The Bank and the Borrower (jointly and severally if more than one) agree as follows:

- 1. The Borrower agrees to repay all amounts outstanding under the Credit On Demand, together with interest, calculated on the daily balance of the amount owing and payable monthly, both before and after demand and judgement, at the greater of __5.0_% per annum (the "Minimum Rate") and a variable nominal rate per annum of __2.0_ percentage points above the Prime Lending Rate established from time to time with interest on overdue interest at the same rate; PROVIDED the interest rate hereunder above the Minimum Rate shall vary automatically on the day the Prime Lending Rate is varied by the Bank and without notice by the Bank to the undersigned. The "Prime Lending Rate" is the rate of interest established from time to time as the Bank's Prime Lending Rate for loans denominated in Canadian dollars, adjusted automatically upon any change by the Bank. The Bank's Prime Lending Rate is __3.0__ per annum as of the date hereof.
- The Bank may advance or re-advance funds under the Credit from time to time by credit to the Borrower's
 account #_10341782 (the "Account"). Advances or re-advances shall be in multiples of \$_25,000.00 as
 required to meet directions to pay on or withdrawals or payments from the Account.
- 4. The Borrower agrees that at no time shall the amount owing under the Credit exceed the Credit Limit and that the Bank shall have no obligation to honour any request for funds which would have the effect of making the amount owing exceed the Credit Limit. Notwithstanding the foregoing, if at any time amounts advanced and outstanding on the Credit exceed the Credit Limit, any such overdraft which occurs in excess of the Credit Limit shall be governed by the provisions of this agreement except that the Bank may.

in its sole discretion, impose on the amount of such overdraft, and the Borrower hereby agrees to pay thereon, a rate of interest equal to the Bank's highest overdraft interest rate established and published from time to time and chargeable on overdraft balances, even though such interest rate may be higher than the rate set out in paragraph 1 hereof, with interest on overdue interest at the same rate.

- 5. The Borrower authorizes the Bank to debit the Account to pay amounts outstanding under this agreement including without limitation interest, principal, administration fees, costs related to the preparation, perfection and enforcement of this agreement and any collateral securities or documents and recovery of amounts outstanding on the Credit, all of which fees and costs the Borrower agrees to pay on demand with interest after demand at the rate set out in paragraph 1. Any interest accrued on any such amounts which is not paid by the next date on which an interest instalment is payable shall be compounded on such date and on all further installment dates until paid and, as overdue interest, bear interest at the same rate as on principal. All monies received by the Bank, whether by way of debit as aforesald or otherwise, may be applied and allocated by the Bank to such parts of the outstanding indebtedness (whether by interest, principal, fees or other costs) as the Bank determines.
- 6. The Credit Limit shall include the Bank's liability or contingent liability under any letters of credit or letters of guarantee issued by the Bank in favour of the Borrower.

-[Belete paragraph #7 if Bank Act security not held and have Borrower initial deletion]

8. The Bank and the Borrower may be parties to other agreements relating to the Credit or the Account. In the case of a conflict between this agreement and such other agreements, such other agreements shall prevail. If there is no conflict, this agreement and such other agreements shall be read in conjunction with and as supplementary to each other. If the Bank at any time or from time to time takes a promissory note or notes from the Borrower representing any advances under the Credit, whether in whole or part and whether in the case of overdrafts or otherwise, such note shall not extinguish or pay such advances but shall evidence the same only.

IN WITNESS WHEREOF the undersigned has executed this agreement this 24 day of February , 2012.

Impact 2000 Inc.
(Borrower name)

Wilness (if Borrower Incividual(s))

Authorized Signatory



PROMISSORY NOTE - EQUAL PAYMENTS

(Fixed Rate Note)

					Jul	1,2011	1
OFFICE:	606 4th Street S.W., (Calgary, Alberta T2	P 1T1	DATE:	May _	<u>1</u> , 2011	
For value received the undersigned, jointly and severally if more than one, promise(s) to pay to the order of CANADIAN WESTERN BANK at the above office of the Bank:						ier	
	al sum of (\$700,000) : with interest, all as set or		Thousand Doll	ars (hereins	after calle	ed the "Princip	pal
Repaymen	i shall be made as follo	ws;	سر	<u>ግ</u> አ.			
THE PRIN (both before payable mo	CIPAL AMOUNT with e and after maturity, de onthly by installments co	interest thereon a efault, and judgmo omprising principa	at the rate of ent) until paid ca il and interest of	alculated da	o per lily and c	cent per anni ompounded a	um Ind
No. of Payment	Amount of Each Payment		Payment Da	rtes			
a.m.L.czamm.r		<u>Day</u> <u>Month</u>	Year To	Day N	,	<u>Year</u>	
42	\$17,843.97	al Sep	Zoll	آ اه	-éb	2015	
until the day of							
The undersigned waives presentation, protest and notice of dishonor and acknowledges that the debt evidenced by this Note constitutes all or a portion of the Indebtedness of the undersigned to CANADIAN WESTERN BANK.							
			IMPACT	2000 INC.			
			Per;	AMT		<u></u>	
			· Per:	· · · · · · · · · · · · · · · · · · ·			c/s

THIS IS EXHIBIT "_	_D	23
to the Affid	avit of	
Laurence	Chua	
Sworn before me this _	1374	
Day of June		
Ausan ac	orbin	
A Commissioner for Ox		:
in and for the Provin		
State of Cor	mecticut,	ı
United State	is of Amer	ica

SUSAN A CORBIN NOTARY PUBLIC CONNECTICUT MY COMMISSION EXPIRES 11-30-2013



February 23, 2012

Impact 2000 Inc. 200, 3016 -- 5th Ave. N.E. Calgary, Albertz, T2A 6K4

Attention: Mike Wolowich - President

Dear Sirs:

On the basis of the financial statements and other information provided by Impact 2000 Inc.(the "Borrower"), and by Mike and Patty Wolowich (the "Guarantors") in connection with your request for financing, Canadian Western Bank (the "Bank") has authorized the following loans subject to the terms and conditions outlined in this Commitment Letter (the "Agreement").

1. LOAN AMOUNT:

- 1.1. Loan Segment (I): Demand Operating Loan \$2,000,000.00, margined. Regardless of the amount indicated, the facility at this time will be capped at a maximum of \$500,000 on a margin basis and will be subject to further review again in June 2012 upon receipt of the company internal financial statement information as at May 31, 2012.
- 1.2. Loan Segment (2): Term Non Revolving Loan #1 (TNR #1) \$610,710.26.

Collectively referred to as "the Loans",

PURPOSE OF LOANS:

Amounts advanced by the Bank are to be used by the Borrower as follows:

- 2.1. Loan Segment (1): To finance the day-to-day operations of the Botrower's business,
- 2.2. Loan Segment (2): To refinance existing outstanding equipment leases and working capital.

3. INTEREST RATES:

Loans shall bear interest while outstanding before and after maturity and default at the following rates:

- 3.1. Loan Segment (1): Interest to be paid at the greater of 5.0% per annum (the "Minimum Rate") and a rate of 2.00% per annum above the Bank's Prime Lending Rate ("Prime"). As of the date of this Agreement, Prime is 3.0% per annum. (Increase from existing rate of 1.50% above prime.)
- 3.2. Loan Segment (2): Interest to be paid at the greater of 5.0% per annum (the "Minimum Rate") and a rate of 2.0% per annum above Prime.

Unless otherwise specified, all interest shall be payable without demand on the dates specified by the Bank and shall be calculated daily, compounded monthly. Overdue interest shall bear interest at the same rate.



4. <u>ADVANCES</u>:

- 4.1. Loan segment (1) will revolve in multiples of \$25,000.00 and will be available following satisfaction of the Margin Conditions and Conditions Precedent as set forth in Schedules "B" and "D" herein attached.
- 4.2. Loan segment (2) was advanced on a lump sum July 21, 2011.

5. REPAYMENT:

All amounts outstanding under segment (1) shall be repaid on demand. Unless demanded, the Bank will accept payment as follows:

- 5.1. Loan Segment (1): On demand
- 5.2. Lean Segment (2): To reduce by monthly blended principal and interest payments of \$17,843.97. Payments are based on an amortization of 42-months with 36-months remaining.

For any TNR loan advanced on a fleating rate basis with blended monthly payments, the Bank will have the discretion to vary the amount of the required monthly instalments each calendar quarter to reflect changes in Prime.

6. FEES:

- 6.1. The Borrower shall pay a stand-by fee of .125% per annum on any unused portion of the operating credit, calculated on a daily basis and payable monthly in arrears on the last day of each month.
- 6.2. The Borrower shall pay a monthly revolving loan fee of \$150.00 to cover the cost of administration in monitoring and processing loan advances and pay downs in multiples of \$25,000.00 on the operating loan. This fee is in addition to the account's standard service charges.
- 6.3. The Borrower shall pay an annual review fee of (1/8 of 1% of the approved facility) each year commencing with the 2013 annual review in conjunction with the annual review (based on the Borrower's fiscal year end financial statements) to renew outstanding loans.
- 6.4. The Bourower shall pay a late reporting fee of \$100.00 for each monthly report. In addition, a fee of \$100.00 per month, or portion thereof, shall apply for late prevision of annual Financial Statements/Reporting after expiry of 120- day period.
- 6.5. The Borrower shall pay CWB direct service fees as applicable.

7. <u>SECURITY</u>:

The attached Schedule "A" forms part of this Agreement.

8. **KEY COVENANTS/ CONDITIONS:**

The attached Schedule "B" forms part of this Agreement,

9. REPORTING REQUIREMENTS:

The attached Schedule "C" forms part of this Agreement.

10. CONDITIONS PRECEDENT TO DRAWDOWN:

The attached Schedule "D" forms part of this Agreement.

11. GENERAL CONDITIONS:

The attached Schedule "E" forms part of this Agreement.

12. STANDARD LOAN TERMS AND DEFINITIONS:

The attached Schedule "F" forms part of this Agreement.

13. REVIEW:

All loans are subject to review at any time by the Bank, and in any event will be reviewed annually, based on the year-end financial statements of the Borrower.

14. PREPAYMENT OF TERM NON REVOLVING LOAN:

14.1. Prepayment of individual loan drawdown's are permitted without charges with the exception of loans drawn under the fixed rate option.

15. **COSTS**:

All costs, including, but not limited to, legal counsel expense, appraisal fees, cost consultant fees and reasonable out-of-pocket expenses incurred by the Bank in connection with the preparation and registration of this Agreement and the Bank's security and the enforcement of the Bank's rights under this Agreement or the Bank's security are for the account of the Borrower and this Agreement will serve as the Bank's authority to charge this amount to the Borrower's deposit account under advice to the Borrower.

16. ASSIGNMENT BY BORROWER:

The Borrower shall not assign or encumber its rights and obligations under the Loans, this Agreement or the whole or any part of any advance to be made hereunder, without the prior written consent of the Bank.

17. BANK'S COUNSEL:

Legal work and documentation to be performed at the Borrower's expense through the Bank's counsel: Fraser Milner Casgrain LLP 15th Floor, Bankers Court 850 – 2nd Street S.W. Calgary, Alberta, T2P 0R8 Attention: Gary J. Cochrane 403-268-7134

18. MATERIAL CHANGE:

Acceptance of this Agreement by the Borrower provides full and sufficient acknowledgement that, if in the opinion of the Bank any material adverse change in risk occurs, including without limiting the generality of the foregoing, any material adverse change in the financial condition of the Borrower or any Guarantor, any obligation by the Bank to advance all or any portion of the loan may be withdrawn or cancelled at the sole discretion of the Bank, acting in a commercially reasonable manner.

19. NON-MERGER:

The terms and conditions set out herein shall not be superseded by nor merge in and shall survive the execution, delivery and/or registration of any instruments of security or evidences of indebtedness granted by the Borrower and/or any Guarantors hereafter, and the advance of any funds by the Bank. In the event of a conflict between the security documents and the terms of this letter, the terms of the security documents shall govern.

20. ACCOUNTING CHANGES:

In the event that any Accounting Change (as defined below) shall occur and such change results in a change in the method of calculation of financial covenants, standards or terms in the Commitment Letter, then the Borrower and the Bank agree to enter into negotiations in order to amend such provisions of the Commitment Letter so as to reflect equitably such Accounting Changes with the desired result that the criteria for evaluating the Borrower's financial condition shall be substantially the same after such

Accounting Changes as if such Accounting Changes had not been made. Until such time as an amendment shall have been executed and delivered by the Borrower to the Bank all financial covenants, standards and terms in this Agreement shall continue to be calculated or construed as if such Accounting Changes had not occurred.

Accounting Changes refers to changes in accounting principles required by the promulgation of any rule, regulation, pronouncement or opinion by the Canadian Institute of Chartered Accountants, and all events including changes resulting from implementation of the International Financial Reporting Standards to the extent required by the Canadian Accounting Standards Board.

ACCEPTANCE:

To become effective, this Agreement most be accepted in writing by the Borrower and all Guaranters.

If you are in agreement with the above terms and conditions (which includes by reference, all of those terms and conditions set forth in all of the attached Schedules), please sign and return the enclosed copy of this letter. This Agreement will expire if not accepted by March 9, 2012.

Dean-Proctor

AVP & Deputy Manager

The foregoing Agreement is offered in good faith and is to be held in strict confidence,

Yours truly, CANADIAN WESTERN BANK

K.M. (Ken) Duke AVP Commercial Banking

Letter: Page 4

ACKNOWLEDGEMENT:

The Borrower certifies that all information provided to the Bank is true and hereby accept the terms and conditions set forth in the above Agreement (including all Schedules attached thereto).

BORROWER;

Impact 2000 Inc.

Signed

Signed

Accepted

GUARANTORS:

We acknowledge receiving advice of the Agreement described above and agree our guarantee is binding even if the Bank changes or waives compliance with the terms of this Agreement,

Signed

Accepted

FEB 28, 2012 Date Feb 28, 2012

Signed

Accepted

SCHEDULE "A" - DEMAND

SECURITY

All security documentation described herein must be prepared, executed and registered, as required by the Bank, prior to drawdown of any funds. The types of security, supporting resolutions and agreements to be provided by the Borrower to the Bank will be in form and content satisfactory to the Bank and/or its solicitors, and without restricting the generality of the foregoing, will include:

- 1. General Security Agreement dated May 31, 2011 providing a first security interest in all present and after acquired property registered in all appropriate jurisdictions (Alberta, British Columbia, Saskatchewan supported by schedule "A" providing a first fixed charge on all major serial numbered pieces of equipment (with exception of survey equipment subject to outstanding lease with RoyNat which is held as a second security interest)
- Promissory Note dated July 21, 2011 in the amount of \$700,000.00;
- Revolving Credit Agreement dated May 31, 2011 in the amount of \$2,000,000.00; (to be released)
- 4. Revolving Credit Agreement in the amount of \$2,000,000,00; (to be provided at increased interest rate)
- General Assignment of Accounts Receivable dated May 31, 2011 by the Botrower registered in all appropriate jurisdictions;
- Joint and Several Limited Liability Guarantee dated May 31, 2011 in the amount of \$500,000.00 from Mike Wolowich and Patty Wolowich in favor of the Bank guaranteeing all indebtedness of the Borrower to the Bank;
- Assignment of Key Man Life Insurance covering the life of Mike Wolowich principal of the Borrower in a minimum amount of \$1,000,000.00. (to be provided)
- Assignment and Postponement of Creditors Claim dated May 31, 2011 executed by Mike and Patty Wolowich;
- Evidence of Insurance coverage for full insurable values of all assets of the Borrower taken as security by the Bank with first loss payable to the Bank by way of standard mortgage clause;
- Such additional securities as the Bank may deem necessary or advisable for the purpose of obtaining and perfecting the foregoing security.

The Borrower and Guarantors acknowledge and agree that the securities above described provided by the Borrower, support all loans and secure all indebtedness of the Borrower to the Bank.

SCHEDULE "B" - DEMAND

KEY COVENANTS/CONDITIONS

KEY COVENANTS:

The Borrower agrees:

- 1. to pay all sums of money when due under this Agreement;
- to give the Bank prompt notice of any Event of Default or any event which, with notice or lapse of time or both, would constitute an Event of Default;
- to maintain a "Cash Flow Coverage Ratio" of not less than 1.35 (tested annually); *
- 4, to maintain "Tangible Net Worth" of not less than \$1,000,000.00 (tested annually; *
- 5. to maintain a "Current Ratio" not less than 1.15:1 (tested monthly; *
- 6. not to pay shareholders, officers or directors of the Borrower in the aggregate in any fiscal year, whether by way of salary, dividend, bonus, management or directors fees, lean, repayment of loan or other form of payment or withdrawal unless previously approved by the Bank any amount that would place the borrower in default of its financial covenants with the bank; *
- no inter-company advances will be made to related or subsidiary companies without the prior approval of the Bank;
- not to incur commitments for Capital Expenditures or lease obligations aggregating in excess of \$150,000.00 in any one fiscal year of the Borrower, which shall not be cumulative from year to year unless previously approved in writing by the Bank;
- to give the Bank 30 days prior notice in writing of any intended change in the ownership of its shares or any of its subsidiaries;
- not to sell, transfer, convey, lease or otherwise dispose of any part of its property or assets, without the prior written consent of the Bank, except in the ordinary course of business;
- not to change its name or merge, amalgamate or consolidate with any other corporation;
- 12. to insure and to keep fully insured all properties customarily insured by companies carrying on a similar business to that of the Borrower [including accidental pollution liability], business/rental interruption, general liability of \$2,000,000.06, etc.;
- 13. not to invest in, lend to, guarantee or otherwise provide for, on a direct or indirect or contingent hasis, the payment of any monies or performance of any obligations by any third party except as provided herein;
- 14. to file on a timely basis, all material tax returns which are or will be required to be filed, to pay or make provision for payment of all material taxes (including interest and penalties) and other potential Priority Claims which are or will become due and payable and to provide adequate reserves for the payment of any tax, the payment of which is being contested;
- 15. to comply with all applicable environmental laws and regulations; to advise the Bank promptly of any breach of any environmental regulations or licenses or any control orders, work orders, stop orders, action requests or violation notices received concerning any of the Borrower's property; to comply with any such requests or notices, to diligently clean up any spills; and to hold the Bank harmless for any costs or expenses which the Bank incurs for any environment related liabilities existent now or in the future with respect to the Borrower's property;

- 16. to provide the Bank and its agents, nominees, and consultants with the right to enter the premises of the Borrower from time to time, and to carry out such environmental reviews as the Bank in its sole discretion deems advisable and in that connection to make good faith enquiries with government agencies and to examine the records, books, assets, affairs and business operations of the Borrower;
- 17. not to grant, create, assume or suffer to exist any mortgage, charge, lien, pledge, security interest, including a Purchase Money Security Interest (PMSI), or other encumbrance affecting any of its properties, assets or other rights other than a Normal Course Lien.
- * At time of fiscal year end, all financial covenants are in breach. The borrower is placed on notice of this breach with expectation of compliance at time of next review.

CONDITIONS:

LOAN SEGMENT (1)

MARGIN REQUIREMENTS

Total outstanding operating loans plus Priority Claims* outstanding will not exceed \$500,000 ** or 65% of good Canadian trade accounts receivable acceptable to the bank, 50% non EDC insured US accounts receivable (to a maximum of \$500,000), and 90% of EDC insured US accounts receivable, with a pre-approved limit by EDC, as confirmed by EDC using the prevailing exchange rate on the day of margining less a 5% notional risk, excluding inter-company accounts, holdbacks receivables, and accounts payable contras as well as the entire outstanding balance of accounts where any portion exceeds 90 days.

Credit reports for accounts receivable exceeding \$100,000.00 (excluding well known public traded entities) will be obtained by the Bank no less frequently than annually, with the cost of obtaining such credit or such report to the account of the Borrower.

- Priority Claims include deductions at source for Income Tax, Worker's Compensation, CPP and EI, GST, PST, wage claims including unpaid beliday entitlement, unpaid utility bills and arrears of rent for business premises.
- ** Limit to be reviewed in June 2012. As relates to the outstanding priority claims as at December 31, 2011 in the amount of \$266,241, it is the bank understanding that Revenue Canada has agreed to a 9-month repayment program and once satisfactory evidence of this has been provided to the bank, only the current monthly required amount plus current monthly source deductions will be deducted for purposes of availability under the operating line of credit.

SCHEDULE "C" - DEMAND

REPORTING REQUIREMENTS

The Borrower agrees to provide the following to the Bank:

- aged listings of accounts receivable, accounts payable (segregated as to currency) as at the end of each
 month, together with form 1634 Monthly Statement of Borrowing Limit signed by an officer of the
 Borrower as correct, by the 20th day of the following month;
- an Officers Compliance Certificate form 1636 monthly (within 20 days of month end)/annually (within 120 days of year end), certifying that all lending conditions and requirements are being complied with;
- monthly financial statements including Balance Sheet/Income Statement and/or such other information as the Bank considers necessary by the 30th day of the following month;
- 4. minimum Review Engagement, annual financial statements of the Borrower prepared by a firm of qualified professional accountants within 120 days of the Borrower's fiscal year-end, together with capital expenditure forecasts for the current fiscal year, showing purpose and source of financing;
- minimum Notice to Reader annual financial statement of Prolific Energy Services Ltd. prepared by a firm of qualified professional accountants within 120 days of the Borrower's fiscal year-end;
- 6. detailed breakdown of equipment as at fiscal year end (within 120- days of borrower fiscal year-end);
- bi-ennial updated personal net worth statement of Guaranters on the Canadian Western Bank forms duly completed and signed;
- 8. a Confirmation of Payable Status form 1054 on an annual basis;
- 9. updated breakdown of contracts in hand as at May 31, 2012 together with cash flow projection for the balance of the fiscal year to be provided by June 25, 2012;
- any further information, data, financial reports and records, accounting or banking statements, certificates, evidence of insurance and other assurances which the Bank may from time to time require in its sole discretion, acting reasonably. Reasonable and appropriate time will be provided to the borrower to comply with any request made by the bank.

SCHEDULE "D" - DEMAND

CONDITIONS PRECEDENT TO DRAWDOWN

The following conditions precedent must be fulfilled prior to the Bank having any obligation to advance:

- the Bank shall be satisfied with the business, assets and financial condition of the Borrower and Guaranters
 and all security documentation and supporting agreements and documents must be completed in a form
 satisfactory to the Bank and its solicitors, and must be executed and registered, as appropriate, and the
 Bank shall have received a solicitor's letter of opinion with respect to the same;
- any participation by way of equity, shareholders' leans, or other each injection required under the terms of this Agreement must be in place and satisfactory evidence provided to the Bank confirming same;

Schedule D: Page 1

SCHEDULE "E" - DEMAND

GENERAL CONDITIONS

EVENTS OF DEFAULT

- 1. Notwithstanding anything expressed or implied to the contrary, all indebtedness and liability of the Borrower to the Bank under this Agreement with the exception of segment (2) Term Reducing is deemed to be repayable ON DEMAND and such indebtedness and liability may be demanded by the Bank at any time in the Bank's sole and exclusive discretion. In addition to being of a demand nature, the full amount of the indebtedness and liability of the Borrower then outstanding, together with accrued interest and any other charges then owing by the Borrower to the Bank shall, at the option of the Bank, forthwith be accelerated and be due and payable, and upon being declared to be due and payable, the securities shall immediately become enforceable and the Bank may proceed to realize and enforce the same upon the occurrence and during the continuance of any of the following events or circumstances (which events or circumstances are herein referred to as the "Events of Default"):
 - (a) the Borrower or any Guarantor fails to make when due, whether on demand or at a fixed payment date, by acceleration or otherwise any payment of interest, principal, fees, or other amounts payable to the Bank;
 - (b) there is a breach by the Borrower of any other term or condition contained in this Agreement or in any other agreement to which the Borrower and the Bank are parties and the Borrower has not corrected such breach within 15 business days of notice having been provided to the Borrower;
 - (c) any default occurs under the terms of any security to be provided in accordance with this Agreement or under any other credit, loan or security agreement to which the Borrower is a party and the Borrower has not corrected such breach within 15 business days of notice having been provided to the Borrower;
 - (d) any bankruptcy, re-organization, compromise, arrangement, insolvency or liquidation proceedings or other analogous proceedings are instituted by or against the Borrower and, if instituted against the Borrower are allowed against or consented to by the Borrower or are not dismissed or stayed within 60 days after such institution;
 - (e) a Receiver is appointed over any property of the Borrower or any judgement or order or any process of any court becomes enforceable against the Borrower or any property of the Borrower or any oreditor takes possession of any property of the Borrower;
 - (f) any adverse change occurs in the financial condition of the Borrower or any Guarantor;
 - (g) any adverse change occurs in the environmental condition of:
 - (i) the Borrower, or any Gnarantor of the Borrower; or
 - any property, equipment, or business activities of the Borrower or any Guarantor of the Borrower.

MISCELLANEOUS CONDITIONS

- The rights and remedies of the Bank pursuant to this Agreement and the securities taken pursuant hereto are cumulative and not alternative, and not in substitution for any other rights, remedies, or powers of the Bank.
- Any failure or delay by the Bank to exercise, or exercise fully, its rights and remedies pursuant to this
 Agreement and the securities taken pursuant hereto shall not be construed as a waiver of such rights and
 remedies.

- In the absence of a formal Loan Agreement being entered into, this Agreement shall continue in full force and effect and shall not merge in any securities provided by the Borrower to the Bank.
- 4. the Bank reserves the sole and absolute right to syndicate part or all of the loan facility contemplated herein, with various syndication partners with whom the Bank syndicates loans from time to time, on terms and conditions satisfactory to the Bank;
- 5. This Agreement and the security documentation to be provided by the Borrower pursuant hereto shall be construed in accordance with and governed by the laws of the Province of Alberta.



SCHEDULE "F" - DEMAND

SCHEDULE - STANDARD LOAN TERMS

ARTICLE 1 - GENERAL

- i.i. Interest Rate. You will pay interest on each Loan at nominal rates per year at the rate specified in this Agreement.
- 1.2. Floating rate of interest. Each floating rate of interest provided for under this Agreement will ohonge automatically, without notice, whenever the Bank's Prime Rate or the U.S. Base Rute, as the case may be, changes.
- 1.3. Phyment of interest, Interest is calculated on the daily balance of the Loan at the end of each day. Interest is due once a month, unless the Agreement states otherwise. Unless you have made other arrangements with us, we will automatically debit your Operating Account for interest amounts owing. If your Operating Account is in overdraft and you do not deposit to the account an amount equal to the monthly interest payment, the effect is that we will be charging interest on overdue interest (which is known as compounding). Unpaid interest continues to compound whether or not we have demanded payment from you or started a legal action, or get judgment, against you.
- 1.4. Fees, You will pay the Bunk's focs for the Loans as outlined in the Agreement. You will also reimburse us for all reasonable fees (including legal fees on a solicitor and his own client basis) and out-of-pocket expenses inoursed in registering any security, and in enforcing our rights under this Agreement or any security. We will automatically debit your Operating Account for fee amounts owing.
- Our rights re demand Loans. We believe that the banker-1.5. customer relationship is based on mutual trust and respect. It is important for us to know all the televant information (whether good or bad) about your business. Canadian Western Bank is itself a business. Managing risks and monitoring our customers' ability to repay is critical to us. We can only continue to lead when we feel that we are likely to be repaid. As a result, if you do something that jeopardizes that relationship, or if we no longer feel that you are likely to repay all amounts borrowed, we may have to act. We may decide to act, for example, because of something you have done, information we receive about your business, or changes to the economy that affect your business. Some of the actions that we may decide to take include requiring you to give us more financial information, negotiating a change in the interest rate or fees, or asking you to get further accounting assistance, put more cash into the business, provide more security, or produce a satisfactory business plan. It is important to us that your business succeeds. We may demand immediate repayment of any outstanding amounts under any demand Loan. We may also, at any time and for any cause, cancel the unused portion of any demand Loan.
- 1.6. Payments. If any payment is due on a day other than a Business Day, then the payment is due on the next Business Day.
- 1.7. Applying money received. If you have not made payments as required by this Agreement, or if you have failed to satisfy any term of this Agreement (or any other agreement you have that relates to this Agreement), or at any time before default but after we have given you appropriate notice, we may decide how to apply any money that we receive. This means that we may choose which Loan to apply the money against, or what mix of principal, interest, fees and overdue amounts within any Loan will be paid.
- 1.8. Information requirements. We may from time to time reasonably require you to provide further information about your business. We may require information from you to be in a form acceptable to us.

- 1.9. Insurance. You will keep all our business assets and property insured (to the full insurable value) against loss or damage by fire and all other risks usual for property such as yours (plus for any other risks we may reasonably require). If we request, these policies will include a loss payee clause (and if you are giving us mortgage security, a Standard Mortgagee Clause). As further security, you assign all insurance proceeds to us. If we ask, you will give us either the policies themselves or adequate evidence of their existence. If your insurance coverage for any reason stops, we may (but do not have to) insure the property. We will automatically debit your Operating Account for this amount. In the event there are no funds on deposit, we may add the insurance cost to your Lean. Finally, you will notify us immediately of any loss or damage to the property.
- Environmental Matters. You will carry on your business, and 1.10. maintain your assets and property, in accordance with all applicable environmental laws and regulations. If (a) there is any release, deposit, discharge or disposal of pollutants of any sort (collectively, a "Discharge") in connection with either your business or your property, and we pay any fines or for any clean-up, or (b) we suffer any loss or damage as a result of any Discharge, you will remahurse the Bank, its directors, officers, employees and agents for any and all losses, damages, fixes, costs and other amounts (including amounts spent preparing any necessary environmental assessment or other reports, or defending any lawsuits) that result. If we ask, you will defend any lawsuits, investigations or prosecutions brought against the Bank or any of its directors, officers, employees and agents in connection with any Discharge. Your obligation to us under this section continues even after all Loans have been repaid and this Agreement has terminated.
- 1.11. Consent to release information. We may from time to time give any loan or other information about you to, or receive such information from, (a) any financial institution, credit reporting agency, rating agency or oredit bureau, (b) any person, firm or corporation with whom you may have or propose to have financial dealings, and (c) any person, firm or corporation in connection with any dealings you have or propose to have with us. You agree that we may use that information to establish and maintain your relationship with us and offer any services as permitted by law, including services and products offered by our subsidiaries when it is considered that this may be suitable to you.
- 1.12. Proof of debt. This Agreement provides the proof, between the Bank and you, of the loans made available to you. There may be times when the type of loan you have requires you to sign additional documents. Throughout the time that we provide you loans under this Agreement, our loan accounting records will provide complete proof of all tenus and conditions of your loan (such as principal loan balances, interest calculations, and payment dates).
- 1.13. Renewals of this Agreement. This Agreement will remain in effect for your Loans for as long as they remain unchanged. If finere are no changes to the Loans this Agreement will continue to apply, and you will not need to sign anything further. If there are any changes, we will provide you with either an amending agreement, or a new replacement Letter, for you to sign.
- 1.14. Confidentiality. The terms of this Agreement are confidential between you and the Bank. You therefore agree not to disclose the contents of this Agreement to anyone except your professional advisors and where required by law.

- 1.15. Pre-conditions. You may use the Loans granted to you under this Agreement only if:
 - (a) we have received properly signed copies of all documentation that we may require in connection with the operation of your accounts and your ability to borrower and give security;
 - (b) all the required security has been received and registered to our satisfaction;
 - any special provisions or conditions set forth in the Agreement have been complied with; and
 - (d) if applicable, you have given us the required number of days notice for a drawing under a Loan.
- 1.16. Notices. We may give you any notice in person or by telephone, or by letter that is sent either by fax or by mail,
- 1.17. Use of the Operating Loan. You will use your Operating Loan only for your business operating eash needs. You are responsible for all debits from the Operating Account that you have either initiated (such as cheques, loan payments, pre-authorized debits, etc.) or authorized us to make. Payments are made by making deposits to the Operating Account, You may not at my time exceed the lesser of the Loan Amount and the maximum available under the Margin Requirements. We may, without notice to you, return any debit from the Operating Account that, if paid, would result in the Loan Amount being exceeded, unless you have made prior arrangements with us. If we pay any of these debits, you must repay us immediately the amount by which the Loan Amount is exceeded.
- 1.18. Non-Revolving Loans. The following terms apply to each Non-Revolving Loan:
 - (a) Non-revolving Loans. Unless otherwise stated in the Agreement, any principal payment made permanently reduces the available Loan Amount. Any payment we receive is applied first to overdue interest, then to current interest ewing, then to overdue principal, then to any fees and charges owing, and finally to current principal.
 - (b) Floating Rate Non-Revolving Loans. Floating Rate Loans may have either (i) blended payments or (ii) payments of fixed principal amounts, plus interest as described below:
 - Blended payments. If you have a Floating Rate Loan that has blended payments, the amount of your monthly payment is fixed for the term of the loan, but the interest rate varies with changes in the Prime Rate or U.S. Base Rate (as the case may be). If the Prime Rate or U.S. Base Rate during any month is lower than what the rate was at the outset, you may end up paying off the loan before the scheduled and date. If, however, the Prime Rate or U.S. Base Rate is higher than what it was at the outset, the amount of principal that is paid off is reduced. As a result, you may end up still owing principal at the end of the term because of these changes in the Prime Rate or U.S. Base Rate. We will advise you from time to time of any changes in the blended payment necessary to maintain the original emortization period, should we chose to do so.

- (ii) Payments of fixed principal plus interest if you have a Floating Rate Loan that has regular principal payments, plus interest, the principal payment amount of your Loan is due on the payment date specified in the Agreement. Although the principal payment smount is fixed, your interest payment will usually be different each menth, for at least one and possibly more reasons, namely: the reducing principal balance of your lean, the number of days in the month, and changes to the Prime Rate or U.S. Base Rate (as the case may be).
- (c) Demand of Fixed Rate Demand Non-Revolving Loans. If you have a Fixed Rate Demand Non-Revolving Loan and we make demand for payment, you will owe us (i) all ouistanding principal, (ii) interest, (iii) any other amount due under this Agreement, and (iv) a prepayment charge. The prepayment charge is equal to the greater of three (3) months interest calculated on the unpaid balance at the rate authorized or the Bank's Unwinding Costs.

ARTICLE 2 -- DEFINITIONS

2.1. Definitions. In this Agreement, the following terms have the following meanings:

Agreement" means the letter agreement between you and Canadian Western Bank to which this Schedule and any other Schedules are attached.

"Business Day" means any day (other than a Saturday or a Sunday) that the CWB Branch/Centre is open for business.

"Cash Flow Coverage Ratio" means for any fiscal year the ratio of X to Y where:

X ==

Net profit after tax

- + amortization/depreciation
- → all interest expenses
- + all taxes
- = EBITDA

v =

All interest paid or accrued during the trailing fiscal year + the Borrower's actual principal payment obligations for the trailing fiscal year under the CWB credit facility and any other document or agreement including without limitation;

- in respect of any indebtedness for borrowed money as classified in the balance sheet of the Borrower and in accordance with generally accepted accounting principals; and
- in respect of any capital lease in accordance with generally accepted accounting principles entered into by the Borrower.

"Current Assets" are cash, accounts receivable, inventory and other assets that are likely to be converted into each, sold, exchanged or expended in the normal course of business within one year or less, excluding amounts due from related parties.

"Current Liabilities" means debts that are or will become payable within one are or one operating cycle, whichever is longer, excluding amounts due to shated parties, and which will require Current Assets to pay. They usually include accounts payable, account expenses, defeared revenue and the current portion of long-term debt.

"Current Ratio" means the ratio of Current Assets to Current Linbibities.

"Customer Automated Funds Transfer (CAFI)" is a WEB based service that provides non-personal customers the ability to make multiple electronic transactions for purposes of direct deposit for payroll or direct payment of accounts payable.

"CWB Branch/Centre" means the Canadian Western Bank branch or banking centre noted on the first page of this Agreement, as changed from time to time by agreement between the parties.

"CWEdirect" is a service available to allow customers the capability to access their bank accounts and general banking information using a personal computer with via the internet.

"Debt to Tangible Net Worth Ratio" means the ratio of Debt to Tangible Net Worth, where:

- (a) Debt is defined as: all liabilities listed on the balance sheet less loans from shareholders or affiliates where the hank has a registered postponement of claim. The after tex portion of management bonuses not yet re-invested as shareholders' loans may be excluded from debt where written confirmation has been obtained from the borrower regarding the re-investment.
- (b) Tangible Net Worth is defined as: the aggregate of share capital, retained eartings, shareholder and affiliated company loans specifically postponed to the Bank, less intangible assets such as goodwill, investments in and advances to affiliated companies and any other asset determined by the Bank to be intangible. The after tax portion of management bomises not yet re-invested as shareholders' loans may be included in tangible net worth where written confirmation has been obtained.

from the borrower regarding the re-investment and providing these loans are specifically postponed to the Bank

"Demand Non-Revolving Loan" means an instalment loan that is payable upon demand. Such a Loan may be either at a fixed or a floating rate of interest.

"Fixed Rate Loan" means any loan drawn down, converted or extended under a Loan at an interest rate which was fixed for a term, instead of referenced to a floating rate such as the Prime Rate or U.S. Base Rate, at the time of such drawdown, conversion or extension.

"Intangibles" means assets of the business that have no value in themselves but represent value. They include such things as copyright, goodwill, patents and trademarks; franchises, licenses, leases, research and development costs, and deferred development costs.

"Letter of Credit" or "L/C" means a documentary or stand-by Letter of Credit, a Letter of Guarantee, or a similar instrument in form and substance satisfactory to us.

"Lien" includes a mortgage, charge, lien, security interest or encumbrance of any sort on an asset, and includes conditional sales contracts, title retention agreements, capital trusts and capital leases.

"Loan" means may loan segment referred to in the Agreement and if there are two or more segments, "Loan" includes reference to each segment,

"Loan Amount" of my Loan means the amount specified in the Agreement and if there are two or more segments, "Loan Amount" includes reference to each segment.

"Mandatory Capital Expenditures" means not capital expenditures incurred by you not financed by long term debt. Not capital expenditures means all capitalized fixed asset purchases less fixed asset sales.

"Mondily Statement of Borrowing Limit" means the CWB form 1099 by that name, as it may from time to time be changed.

"Normal Course Lien" means a Lien that (a) arises by operation of law or in the ordinary course of business as a result of owning any such asset (but does not include a Lien given to another craditor or to secure debts owed to that Loan) and (b) taken together with all other Normal Course Liens, does not materially affect the value of the asset or its use in the business.

"Operating Account" means the account that you normally use for the day today cash needs of your business, and may be either or both of a Canadian dollarand a U.S.-dollar-account.

"Posiponed Debi" means any debt owed by you that has been formally postponed to the Bank,

"Principal Stan" means the loan balance outstanding.

"Priority Claims" means primities that are created when a borrower does not termit monies due for income Tax, Workers Compensation, Canada Pension Plan, Employment Insurance, GST, Provincial Sales Tax, wage claims including unpaid holiday entitlement, unpaid utility bills and arrears of rent for business premises. These are considered to be deemed trust and rank in priority to all security interests.

"Prime Rate" means the variable reference rate of interest per year declared by the Bank from time to time to be its Prime rate for Canadian dollar leans made by the Bank in Canada.

"Purchase Money Lien" means a Licu incurred in the ordinary course of business only to secure the purchase price of an asset, or to secure debt used only to finance the purchase of the asset.

"Shareholders' Equity" means paid-in capital, retained earnings and attributed or contributed surplus.

"Standard Overdraft Rate" means the variable reference interest rate per year declared by the Bank from time to time to be its standard overdraft rate on overdrafts in Canadian or U.S. dollar accounts maintained with the Bank in Canada.

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"Unwinding Costs" means the costs the Bank incors when a fixed rate loan is paid out early. The unwinding costs are based on an interest rate differential between the loan rate and the bid side yield for Government of Canada securities with the same maturity as the loan, for the remaining term of the loan in the time of repayment.

"U.S. Base Rate" means the variable reference rate of interest per year as declared by the Bank from time to time to be its base rate for U.S. dollar loans made by the Bank in Canada.



THIS GENERAL SECURITY AGREEMENT DATED May 31 , 2011.

BRANCH ADDRESS: 606 - 4th Street S.W., Calgary, Alberta T2P 1T1

1. **DEFINITIONS**

The following definitions shall apply herein:

- (a) "Act" means the <u>Personal Property Security Act</u> of the Province of Alberta in effect on the date hereof;
- (b) "Accessions", "Account", "Chattel Paper", "Consumer Goods", "Document of Title", "Equipment", "Financing Change Statement", "Financing Statement", "Goods", "Instrument", "Intangible", "Inventory", "Money", "Purchase Money Security Interest", "Security", "Securities Account" and "Security Entitlement" shall have the meanings ascribed to them in the Act and shall be deemed to include both the singular and plural of such terms. All other capitalized words or terms used herein, unless otherwise defined herein, shall have the meanings ascribed to them in the Act and the Regulations passed pursuant thereto;
- (c) "Agreement", "herein", and similar expressions refer to the whole of this Security Agreement and not to any particular section or other portion thereof and extend to and include every instrument which amends or supplements this Agreement;
- (d) "Bank" means Canadian Western Bank;
- (e) "Collateral" means all present and after-acquired personal property and Real Property of the Debtor of whatever kind and wherever situate, including, without limiting the generality of the foregoing, those specific items, if any, described on the attached Schedule "A", together with all documents, writings, papers, books of account and records relating to the foregoing and all rights and interests therein, but shall not include:
 - (i) the last day of any term of years reserved by any lease, verbal or written, or any agreement therefor now or hereafter held by the Debtor, it being the intention that the Debtor shall stand possessed of the reversion remaining in respect of any leasehold interest forming part of the Collateral upon trust to assign and dispose thereof as the Bank may after default direct,
 - (ii) Consumer Goods, or
 - (iii) those specific items, if any, described on the attached Schedule "B";
- (f) "Debtor" means <u>IMPACT 2000 INC.</u> (name of company or individual)
- (g) "Default" means the happening of any one or more of the events or conditions described in section 7 and such term shall be deemed to include each, any, or all such events or conditions, whether any such event is voluntary or involuntary or is effected by operation

of law or pursuant to or in compliance with any judgement, decree or order of any Court or any order, rule or regulation of any administrative or governmental body;

- (h) "Indebtedness" means and includes any and all obligations, indebtedness and liability of the Debtor to the Bank, (including but not limited to principal, interest and all costs on a full indemnity basis) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wherever and however incurred, together with any ultimate unpaid balance thereof, whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again, and whether the Debtor is bound alone or with another or others and whether as principal or surety;
- (i) "Permitted Encumbrances" means those specific security interests, if any, whether by way of mortgage, lien, claim, charge or otherwise, listed on Schedule "A" or hereafter approved in writing by the Bank prior to their creation or assumption;
- (j) "Proceeds" shall have the meaning ascribed to it in the Act and shall be interpreted to include bank accounts, cash, trade-ins, Equipment, notes, Chattel Paper, Goods, contractual rights, Accounts and any other personal property or obligation received when Collateral or Proceeds thereof are sold, exchanged, collected or otherwise disposed of:
- (k) "Real Property" means all of the Debtor's right, title and interest in and to all its presently owned or held and after acquired or held real, immovable and leasehold property and all interests therein, and all easements, rights-of-way, privileges, benefits, licenses, improvements and rights whether connected therewith or appurtenant thereto or separately owned or held, including all structures, plant and other fixtures;
- (I) "Receiver" means any one or more persons (whether officers of the Bank or not), firms or corporations appointed pursuant to subsection 9(f) and shall be deemed to include a receiver, manager, receiver-manager, or receiver and manager;
- (m) "Security Interest" means the security interest and the floating charge granted by the Debtor to the Bank pursuant to this Agreement; and
- (n) "Specifically Described Collateral" means those items, if any, described in Schedule "A" which comprise part of the Collateral.

2. GRANT OF SECURITY INTEREST

For value received (the receipt and sufficiency of which is hereby acknowledged):

- (a) the Debtor hereby grants, assigns, conveys, mortgages, pledges and charges, as and by way of a specific mortgage, pledge and charge and grants a continuing Security Interest to and in favour of the Bank in the Collateral (other than Real Property); and
- (b) the Debtor hereby charges the Real Property as and by way of a floating charge.

3. INDEBTEDNESS SECURED

The Security Interest secures payment and satisfaction of the Indebtedness; provided however, that if the Security Interest in the Collateral is not sufficient to satisfy the Indebtedness of the Debtor in full, the Debtor agrees that the Debtor shall continue to be liable for any Indebtedness

remaining outstanding and the Bank shall be entitled to pursue full payment and satisfaction thereof.

4. ATTACHMENT OF SECURITY INTEREST

The Security Interest shall attach to the Collateral at the earliest possible moment in accordance with the Act, there being no intention on the part of the Debtor and the Bank that it attach at any later time.

5. REPRESENTATIONS AND WARRANTIES OF THE DEBTOR

The Debtor represents and warrants, and as long as this Agreement remains in effect shall be deemed to continuously represent and warrant, that:

- (a) the Debtor, if a natural person, is of legal age and, if a corporation, is duly organized, existing and in good standing under the laws of its incorporating jurisdiction and of each other jurisdiction in which the nature of its activities make such necessary;
- (b) the Debtor has the right, power and authority to enter into this Agreement and to grant the Security Interest;
- (c) the execution, delivery and performance of this Agreement have been duly authorized by all necessary corporate action and are not in contravention of any instrument by which the Debtor has been incorporated or continued, any instrument amending any such instrument, any internal regulation of the Debtor, any law, or any indenture, agreement or undertaking to which the Debtor is a party or by which it is bound;
- (d) the Debtor has not previously carried on business, does not currently carry on business, and shall not, without the prior written consent of the Bank, in the future carry on business under any name other than the name set forth in paragraph 1(f);
- (e) the Collateral is genuine and is legally and beneficially owned by the Debtor free of all security interests except for the Security Interest and the Permitted Encumbrances;
- (f) the description of the Specifically Described Collateral, whether contained herein or provided elsewhere by the Debtor to the Bank, is complete and accurate and all serial numbers affixed or ascribed to any of the Collateral have been provided to the Bank;
- each Chattel Paper, Intangible and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same ("Account Debtor"), the amount represented by the Debtor to the Bank from time to time as owing by each Account Debtor shall be the correct amount owing unconditionally by such Account Debtor, and no Account Debtor shall have any defence, set-off, claim or counterclaim against the Debtor which can be asserted against the Bank, whether in any proceedings to enforce the Collateral or otherwise;
- (h) the locations specified in the attached Schedule "C" as to business operations and records are accurate and complete and, except for Goods in transit to such locations and Inventory on lease or consignment, all Collateral shall be situate at one of such locations;

- (i) all financial statements, certificates and other information concerning the Debtor's financial condition or otherwise from time to time furnished by the Debtor to the Bank are and shall be in all respects complete, correct and fair representations of the affairs of the Debtor stated in accordance with generally accepted accounting principles applied on a consistent basis;
- (j) there has not been and shall not be a material adverse change in the Debtor's position, financial or otherwise, from that indicated by the financial statements which have been delivered to the Bank;
- (k) there are no actions, suits or proceedings pending or, to the knowledge of the Debtor, threatened against the Debtor except as have been disclosed in writing to and approved by the Bank; and
- (1) none of the Collateral is or shall be Consumer Goods.

COVENANTS OF THE DEBTOR.

The Debtor covenants:

- (a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein and to keep the Collateral free from all security interests except for the Security Interest and the Permitted Encumbrances;
- except as expressly permitted herein, not to self, exchange, transfer, assign, destroy, lease
 or otherwise dispose of the Collateral or any interest therein without the prior written
 consent of the Bank;
- (c) except as expressly permitted herein, not to move the Collateral from its current location, as indicated on Schedule "C", without the prior written consent of the Bank;
- (d) to assemble and deliver the Collateral to the Bank at such location as the Bank may direct;
- (e) to notify the Bank promptly in writing of:
 - (i) any change in the information contained in this Agreement including any information relating to the Debtor (including its name), the Debtor's business, the Collateral, or the locations of the Collateral or the records of the Debtor, so that the Bank shall be constantly advised of all places where the Debtor conducts its business, maintains the Collateral and maintains its records,
 - (ii) the details of any significant acquisition of Collateral (including serial numbers where required under the Act in connection with registration or as otherwise requested by the Bank), and for the purposes of this Agreement "significant" shall mean any item or items the value of which exceeds in the aggregate \$5,000.
 - (iii) the removal of any of the Collateral to any jurisdiction in which any registration of, or in respect of, this Agreement may not be effective to protect the Security Interest, and in the case of such removal to provide the Bank with a written certificate stating the time of removal, what is being removed and the intended new locality of such Collateral, and to assist the Bank in effecting such further

registrations as may be required by the Bank to protect its Security Interest; provided however that this provision shall not be construed as a waiver of any prohibition against removal or relocation of Collateral contained elsewhere in this Agreement, nor shall it be construed as permission to do so,

- (iv) the details of any claims or litigation affecting the Debtor or the Collateral,
- (v) any loss or damage to the Collateral,
- (vi) any Default by an Account Debtor in payment or other performance of its obligations with respect to any Collateral, and
- (vii) the return to or repossession by the Debtor of any Collateral;
- (f) to keep all of its property, including the Collateral, in good order, condition and repair and not to use the Collateral in violation of the provisions of this Agreement or any other agreement relating to the Collateral or any policy insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance having jurisdiction over the same;
- (g) to execute, acknowledge and deliver such further agreements and documents supplemental hereto (including financing statements, further schedules to this Agreement, assignments and transfers) and to do all acts, matters and things as may be requested by the Bank in order to give effect to this Agreement and to perfect the Security Interest, including but not limited to any of the same which may be required to correct or amplify the description of any Collateral or for any other purpose not inconsistent with the terms of this Agreement;
- (h) to pay all costs and expenses on a full indemnity basis (including legal fees as between a solicitor and his own client) incidental to:
 - (i) the preparation, execution and filing of this Agreement,
 - (ii) maintaining, protecting and defending the Collateral, the Security Interest, and all of the Bank's rights and interest arising pursuant to this Agreement, and
 - (iii) the exercise of any rights or remedies of the Bank pursuant to this Agreement, including but not limited to the costs of the appointment of a Receiver and all expenditures incurred by such Receiver, the cost of any sale proceedings (whether the same prove abortive or not), and all costs of inspection, and all other costs and expenses incurred by the Bank in connection with or arising out of, directly or indirectly, this Agreement, all without limitation. All such costs and expenses shall be payable by the Debtor immediately upon demand from the Bank and until paid shall bear interest from the date incurred by the Bank at the highest rate of interest then chargeable by the Bank to the Debtor on any of the Indebtedness. The amount of all such costs and expenses shall be added to the Indebtedness and shall be secured by this Agreement;
- (i) to punctually pay and discharge all taxes, rates, levies, assessments and other charges of every nature which might result in any lien, encumbrance, right of discress, forfeiture or termination or sale, or any other remedy being enforced against the Collateral and to provide to the Bank satisfactory evidence of such payment and discharge;

- to maintain its corporate existence, and to diligently preserve all its rights, licenses, powers, privileges, franchises and goodwill;
- (k) to observe and perform all of its obligations and comply with all conditions under leases, licenses and other agreements to which it is a party or pursuant to which any of the Collateral is held;
- to carry on and conduct its business in an efficient and proper manner so as to preserve and protect the Collateral and income therefrom;
- (m) to keep, in accordance with generally accepted accounting principles consistently applied, proper books of account and records of all transactions in relation to its business and the Collateral;
- (n) to observe and conform to all valid requirements of law and of any governmental or municipal authority relating to the Collateral or the carrying on by the Debtor of its business;
- (D) at all reasonable times, to allow the Bank access to its premises in order to view the state and condition of its property and to inspect its books and records and make extracts therefrom;
- (p) to insure the Collateral for such periods, in such amounts, on such terms, with such insurers and against such loss or damage by fire and other such risks as the Bank reasonably directs, with loss payable to the Bank and the Debtor as insureds, as their respective interests may appear, to pay all premiums therefor, to deliver evidence of the same on request, and to do all acts necessary to obtain payment to the Bank of any insurance proceeds;
- (q) to prevent the Collateral from being or becoming an Accession or a fixture to other property not covered by this Agreement or other security granted by the Debtor in favour of the Bank;
- (r) to deliver to the Bank from time to time promptly upon request:
 - any Documents of Title, Instruments, Securities, Security Entitlements, Securities Account and Chattel Paper constituting the Collsteral,
 - (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral,
 - (iii) all financial statements prepared by or for the Debtor regarding its business, or, where the Debtor is an individual, all tax returns and such personal financial statements as the Bank may request,
 - (iv) all policies and certificates of insurance relating to the Collateral, and
 - (v) such further information concerning the Collateral, the Debtor and the Debtor's business and affairs as the Bank may request;
- (s) not to change the present use of the Collateral; and

(t) to comply with all other requirements of the Bank, whether in the nature of positive or negative covenants, as may be communicated by the Bank to the Debtor from time to time, including but not limited to those additional covenants, terms and conditions, if any, contained on the attached Schedule "D".

7. EVENTS OF DEFAULT

The following constitute Default:

- (a) non-payment when due, whether by acceleration or otherwise, of any principal or interest forming part of the Indebtedness;
- (b) failure of the Debtor to perform or observe any obligation, covenant, term, provision or condition contained in this Agreement or any other agreement, security instrument or other document made by the Debtor with or in favour of the Bank or any other person, firm or corporation;
- (c) the death of or declaration of incompetency by a Court of competent jurisdiction with respect to the Debtor, if an individual,
- (d) the Debtor becomes insolvent or makes a voluntary assignment or proposal in bankraptcy or otherwise acknowledges its insolvency, a bankraptcy position is filed or presented against the Debtor, the making of an authorized assignment for the benefit of the creditors of the Debtor, the appointment of a receiver, receiver-manager, receiver and manager or trustee for the Debtor or any assets of the Debtor, or the institution by or against the Debtor of any other type of insolvency proceeding under the <u>Bankraptcy and Insolvency Act, Companies Creditors Arrangement Act</u> or similar logislation in any jurisdiction;
- (e) any act, matter or thing being done toward, or the commencement of any action or
 proceeding for, terminating the corporate existence of the Debtor, or if the Debtor is a
 partnership, the existence of the partnership, whether by way of winding up, surrender of
 charter or otherwise;
- (f) any encumbrance or security interest affecting the Collateral becomes enforceable:
- (g) the Debtor ceases or threatens to cease to carry on its business or makes or proposes to make a bulk sale of its assets or any sale of the Collateral other than as expressly permitted herein;
- (h) any execution or other process of any Court becomes enforceable against the Dobtor or a distress or analogous process is levied upon the assets of the Debtor or any part thereof (whether or not forming part of the Collateral);
- (i) the Debtor permits any amount which has been admitted as due by it or is not disputed to be due by it and which forms, or is capable of being made, a charge upon the Collateral in priority to, or pari passu with, the charge created by this Agreement to remain unpaid for 30 days after proceedings have been taken to enforce the same;
- (j) the Debtor allows any amount outstanding from it to the Crown pursuant to any federal or provincial statute to remain unpaid for 30 days or more;

- (k) a corporate dispute occurs within the Debtor, if a corporation, (whether between or among its shareholders, directors, officers, employees or otherwise) which may hamper the business operations of the Debtor or otherwise adversely affect, in the sole opinion of the Bank, the Debtor's business, assets or the Collateral;
- (1) any representation or warranty furnished by or on behalf of the Debtor pursuant to or in connection with this Agreement (regardless of the form thereof or whether contained herein or elsewhere), whether as an inducement to the Bank to extend any credit to or to enter into this or any other agreement with the Debtor or otherwise proves to have been false or misleading as of the day made in any material respect or to have omitted any substantial contingent or unliquidated liability or claim against the Debtor;
- (m) there is any material adverse change in any of the facts disclosed to the Bank, in the Debtor's position (financial or otherwise), or in the nature and value of the Collateral; or
- (n) the Bank considers or deems, in its sole opinion, that the Security Interest and the Collateral are not sufficient security in relation to the extent of the Indebtedness.

For the purposes of Section 198.1 of the Land Title Act (British Columbia), the floating charge created by this Security Agreement over Real Property shall become a fixed charge thereon upon the earlier of:

- (a) the occurrence of an event described in clause 7(d), (e), (f), (g) or (h); or
- (b) the Bank taking any action pursuant to clause 9 to enforce and realize on the Security Interests created by this Security Agreement.

8. ACCELERATION/DEFAULT

In the event of Default the Bank, in its sole discretion, may declare all or any part of the Indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind. The provisions of this clause shall not in any way affect any rights of the Bank with respect to any Indebtedness which may now or hereafter by payable on demand.

9. REMEDIES

Upon Default the Bank shall have the following rights and powers, which the Bank may exercise immediately:

- (a) to enter upon the premises of the Debtor or any other premises where the Collateral may be situated and to take possession of all or any part of the Collateral, by any method permitted by law, to the exclusion of all others, including the Debtor, its directors, officers, agents and employees, and the Debtor hereby waives and releases the Bank and any Receiver from all claims in connection therewith or arising therefrom;
- (b) to remove all or any part of the Collateral to such place as the Bank deems advisable;
- (c) to preserve and maintain the Collateral and to do all such acts incidental thereto as the Bank considers advisable, including but not limited to making replacements and additions to the Collateral;

- (d) to collect, demand, sue on, enforce, recover and receive Collateral and give receipts and discharges therefor, and may do any such act and take any proceedings related thereto in the name of the Debtor or otherwise as the Bank considers appropriate;
- (e) to sell, lease, or otherwise dispose of the Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as the Bank deems reasonable (including without limitation, by deferred payment) all in the Bank's absolute discretion and without the concurrence of the Debtor; provided however, that the Bank shall not be required to do so and it shall be lawful for the Bank to use and possess the Collateral for any and all purposes and in any manner the Bank sees fit, all without hindrance or interruption by the Debtor or any other person or persons, provided however that none of the foregoing shall prejudice the Bank's right to pursue the Debtor for recovery in full of the amount of the Indebtedness, including the amount of any deficiency owing after the application of the proceeds of realization (and to the extent permitted by laws, the Debtor waives its rights to the protection afforded by any rule of law or legislation respecting such deficiency);
- (t)to appoint by instrument in writing, with or without bond, or by application to any Court of competent jurisdiction, a Receiver of the Collateral and to remove any Receiver so appointed and appoint another or others in his stead. Any such Receiver shall, so far as concerns responsibility for his acts, be deemed the agent of the Debtor and not of the Bank and the Bank shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his agents, servants of employees. Subject to the provisions of the instrument appointing him, any such Receiver shall have the power to take possession of the Collateral, to preserve the Collateral or its value, to carry on or concur in carrying on all or any part of the business of the Debter and to sell, lease or otherwise dispose of or concur in selling, leasing or otherwise disposing of the Collateral (including dispositions by way of deferred payment). To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others including the Debtor, enter upon, use and occupy all premises owned or occupied by the Debtor where Collateral may be situate, to employ and discharge such employees, agents or professional advisors as the Receiver deems advisable, to enter into such compromises. arrangements or settlements as the Receiver deems advisable, to borrow or otherwise raise money on the security of the Collateral and to issue Receiver's certificates and do all such other acts as the Receiver deems advisable in connection with any of the powers referred to herein. Except as may be otherwise directed by the Bank, all monies received from time to time by the Receiver in carrying out his appointment shall be received in trust for and paid over to the Bank. In addition, every Receiver may, in the discretion of Bank, be vested with all or any of the rights and powers of the Bank under the Act or any other applicable legislation or under this Agreement or any other agreement;
- (g) to rescind or vary any contract for sale, lease or other disposition that the Debtor or the Bank may have entered into and to resell, release or redispose of the Collateral;
- (h) to deliver to any purchasers of the Collateral good and sufficient conveyances or deeds for the same free and clear of any claim by the Debtor. For such purposes, the purchaser or lessee receiving any disposition of the Collateral need not inquire whether Default under this Agreement has actually occurred but may as to this and all other matters rely upon a statutory declaration of an officer of the Bank, which declaration shall be conclusive evidence as between the Debtor and such purchaser or lessee, and my such disposition shall not be affected by any irregularity of any nature or kind relating to the enforcement of this Agreement or the exercise of the rights and remedies of the Bank;

- (i) to exercise any of the powers and rights given to a Receiver pursuant to this Agreement;
- (j) to provide written notice to the Debtor that all the powers, functions, rights and privileges of the directors and officers of the Debtor with respect to the Collateral, business and undertaking of the Debtor have or shall cease as of the date notified therein, except to the extent specifically continued at any time by the Bank in writing; and
- (k) to take the benefit of or to exercise any other right, proceeding or remedy authorized or permitted at law or in equity, whether as a secured party pursuant to the Act as the same is in force from time to time or otherwise.

All rights and remedies of the Bank are cumulative and may be exercised at any time and from time to time independently or in combination. No delay or omission by the Bank in exercising any right or remedy shall operate as a waiver thereof or of any other right or remedy, and no singular partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Provided always that the Bank shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, maintain, lease or otherwise dispose of the Collateral, or to institute any proceedings for such purposes. The Bank shall have no obligation to take any steps to preserve rights against other parties, shall have no obligation to exercise any of the rights and remedies available to it on Default and shall not be liable or accountable for not exercising any such rights and remedies.

The Bank may waive any Default but no such waiver shall be effective unless made in writing and signed by an authorized officer of the Bank. Any such waiver shall not extend to, or be taken in any manner whatsoever to affect, any subsequent Default or the rights resulting therefrom.

By its acceptance of this Agreement, the Bank acknowledges that it shall not, except in the case of the bankruptcy of the Debtor, enforce this Security Agreement against any personal property of the Debtor used solely for the personal or household use and enjoyment of the Debtor or the Debtor's immediate family.

BANK MAY REMEDY DEFAULT

The Bank shall have the right, but shall not be obliged to, remedy any Default of the Debtor and all sums thereby expended by the Bank shall be payable immediately by the Debtor, together with interest thereon at the highest rate of interest then chargeable by the Bank to the Debtor on any portion of the Indebtedness. All such sums shall be added to the Indebtedness and shall be secured by this Agreement. In no case shall the exercise of the Bank's rights pursuant to this Section 10 be deemed to relieve the Debtor from such Default or be deemed a waiver of such Default or of any other prior or subsequent Default.

11. USE OF COLLATERAL

Subject to compliance with the Debtor's covenants contained herein and to the following provisions of this Section 11, until Default the Debtor may:

in the case of Equipment, dispose of the same for the purpose of immediately replacing it
by other Equipment of a similar nature or of a more useful or convenient character and of
at least equal value;

- (b) in the case of Inventory and Money, dispose of the same in the ordinary course of the business of the Debtor and for the sole purpose of carrying on the same; and
- (c) otherwise possess, collect, use, enjoy and deal with the Collateral in the ordinary course of the Debtor's business in any manner not expressly or impliedly prohibited herein or otherwise inconsistent with the provisions of this Agreement.

Notwithstanding the foregoing:

- (a) before or after Default the Bank may notify all or any Account Debtors and may direct such Account Debtors to make all payments owed in respect of the Collateral directly to the Bank; and
- (b) the Debtor agrees that any payments on or other Proceeds of Collateral received by the Debtor, whether before or after Default, shall be received and held by the Debtor in trust for the Bank and shall be turned over to the Bank upon request.

If the Collateral at any time includes Securities, the Debtor authorizes the Bank to transfer the same or any part thereof into its own name or that of its nominees so that the Bank or its nominees may appear on record as the sole owner thereof, provided however that until Default the Bank shall deliver to the Debtor all notices or other communications received by it or its nominees as registered owner and upon demand and receipt of payment of any necessary expenses shall issue to the Debtor or its order a proxy to vote and take all action with respect to such Securities. However, after Default the Debtor waives all rights to receive any notices or communications in respect of such Securities and agrees that no proxy issued by the Bank to the Debtor or its order as aforesaid shall thereafter be effective.

12. APPROPRIATION OF PAYMENTS

All payments made at any time in respect of the indebtedness and all Proceeds realized from any Securities held therefor may be applied (and reapplied from time to time notwithstanding any previous application) in such manner as the Bank sees fit or, at the option of the Bank, may be held unappropriated in a collateral account or released to the Debtor all without prejudice to the rights of the Bank hereunder, including the Bank's right to collect from the Debtor the amount of any deficiency remaining after application of all such payments and Proceeds.

13. POWER OF ATTORNEY AND AUTHORIZATION TO FILE

The Debtor hereby authorizes the Bank to file such Financing Statements and other documents and do such acts, matters and things (including completing and adding schedules to this Agreement identifying Collateral or location) as the Bank from time to time deems appropriate to perfect, continue and realize upon the Security Interest and to protect and preserve the Collateral. In addition, for valuable consideration, the Debtor hereby irrevocably appoints the Bank and its officers from time to time, or any one or more of them, to be the true and lawful attorney of the Debtor, with full power of substitution, in the name of and on behalf of the Debtor to execute and to do all deeds, transfers, conveyances, assignments, assurances, and other things which the Debtor ought to execute and do under the covenants and provisions contained in this Agreement and generally to use the name of the Debtor in the exercise of all or any of the rights, remedies and powers of the Bank.

14. MISCELLANEOUS

- (a) The Bank may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, comprise, settle, grant releases and discharges and otherwise deal with the Debtor, debtors of the Debtor, sureties and others and with the Collateral and other securities as the Bank sees fit, all without prejudice to the liability of the Debtor to the Bank or to the Bank's rights in respect thereof. In addition, the Bank may demand, collect, and sue on the Collateral in either the Debtor's or the Bank's name, all at the Bank's option, and may endorse the Debtor's name on any and all cheques, commercial paper and other instruments pertaining to or constituting the Collateral.
- (b) Neither the execution or registration of this Agreement, nor the advance or readvance of part of the monies hereby intended to be secured, shall bind the Bank to advance or readvance the said monies or any unadvanced part thereof. The advance or readvance of the said monies or any part thereof from time to time shall be in the sole discretion of the Bank.
- (c) The Debtor hereby waives protest of any Instrument constituting Collateral at any time held by the Bank on which the Debtor is in any way liable and, except as expressly prohibited by law, waives notice of any other action taken by the Bank.
- (d) Without limiting any other right of the Bank, whenever the Indebtedness is due and payable or the Bank has the right to declare it to be due and payable (whether or not it has been so declared), the Bank may, in its sole discretion, sot off against the Indebtedness any and all monies then owed to the Debtor by the Bank in any capacity, whether or not due, and the Bank shall be deemed to have exercised such right to set-off immediately at the time of making its decision to do so even though any charge therefor is made or entered on the Bank's records subsequent thereto.
- (e) In any action brought by an assignce of this Agreement and the Security Interest or any part thereof to enforce any rights hereunder, the Debtor shall not assert against such assignce any claim or defence which the Debtor now has or may hereafter have against the Bank.

15. NOTICE

in addition to the notice provisions contained in the Act, whenever the Debtor or the Bank is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given only if delivered, transmitted by facsimile, or sent by prepaid registered mail addressed to the party for whom it is intended at the Branch Address, in the case of the Bank, and at the Debtor Address, in the case of the Debtor, as set out herein or as changed pursuant hereto. Either party may notify the other of any change in such party's address to be used for the purposes hereof. All such communications shall, in the case of delivery or facsimile, be deemed received on the date of delivery and, if mailed as aforesaid, shall be deemed received on the third business day following the date of posting. In the case of a disruption in postal service all such communications shall be delivered or transmitted by facsimile.

16. INTERPRETATION

- (a) This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta
- (b) This Agreement and the security afforded by it is in addition to and not in substitution for any other security now or hereafter held by the Bank and is intended to be a continuing security agreement and shall remain in full force and effect until released in writing by the Bank. The Bank shall have no obligation to provide such release unless and until the full amount of the Indebtedness has been paid in full.
- (c) If any provision of this Agreement is held invalid, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Agreement shall remain in full force and effect and this Agreement shall be enforced to the fullest extent permitted by law.
- (d) The Debtor hereby waives the benefit of all statutory, common law and equitable rights, benefits and provisions which in any way limit or restrict the Bank's rights and remedies, to the extent that such waiver is not expressly prohibited by law. The Debtor acknowledges and agrees that the Bank shall have the right to recover the full amount of the Indebtedness by all lawful means, including the right to seek recovery of any deficiency remaining after the sale of the Collateral, including any sale thereof to the Bank.
- (e) The headings of the sections of this Agreement are inserted for convenience of reference only and shall not affect or limit the construction or interpretation of this Agreement.
- (f) All schedules, whether attached hereto on the date hereof or subsequently attached pursuant to the provisions of this Agreement, form part of this Agreement. With the exception of any schedules which may be added hereafter by the Bank without the concurrence of the Debtor pursuant to the provisions of this Agreement, no modification, variation or amendment of this Agreement shall be made except by a written agreement executed by the Debtor and the Bank.
- (g) When the context so requires, words importing the singular number shall be read to include the phural and vice versa, and words importing gender shall be read with all grammatical changes necessary to reflect the identity of the parties.
- (h) This Agreement shall enure to the benefit of the Bank, its successors and essigns and shall be binding upon the Debtor, its personal representatives, administrators, successors and permitted assigns. If more than one Debtor executes this Agreement, the obligations of the Debtor shall be joint and several.
- (i) Time shall be in all respects of the essence of this Agreement.

17. RECEIPT OF DOCUMENTS

- (a) The Debtor hereby acknowledges receiving a copy of this Agreement.
- (b) The Debtor hereby waives its right to receive a copy of any Financing Statement, Financing Change Statement or verification statement which may be filed by or issued to the Bank pursuant to the Act.

IN WITNESS WHEREOF the Debtor has executed this Agreement as of the day and year first above written.

Per:

AUTHORIZED SIGNATORY(S)

IF DEBTOR IS AN INDIVIDUAL

•		
Witness	Name of Individual	, ,
	•	;
•		
Witness	Name of Individual	
•		į
•	DEBTOR ADDRESS:	
	(Chief Executive Office, if Corporation, or Residence if Individual)	
	200, 3016 5 th Avenue N.E.	1
	Calgary, Alberta T2A 6K4	
·	1221 00:4	
	Facsimile:	:
If Debtor is an individual:		
State full given names and surname, in ord	ler, with surname last.	
· · · · · · · · · · · · · · · · · · ·		
Full Name		1
Indicate Date of Birth:		r
Date of Birth		
	Day, Montin, Year M F	

SCHEDULE "A"

1. SPECIFICALLY DESCRIBED COLLATERAL

(a) Serial Number Goods

SEE ATTACHED SCHEDULE A-1

(b) Other

2. PURCHASE MONEY SECURITY INTERESTS

3. PERMITTED ENCUMBRANCES

- (a) Security Agreement filed by IOS Financial Services registered September 15, 2008, as Registration No. 08091526171;
- (b) Security Agreement filed by Wells Fargo Equipment Finance Company registered November 9, 2009, as Registration No. 09110910697;
- (c) Security Agreement filed by CBSC Capital Inc. registered October 1, 2010, as Registration No. 10100110246.

Schedule A-1

TRUCKS:

Chevrolet Silverado 2002 vin 2GCEK19T821103905

Ford F250 2007 vin 1FTSX21527EA00914

Ford F250 2006 vin 1FTSX21516EA13068

Ford F260 2006 vin 1FTSW21546ED90478

Ford F250 2004 vin 1FTNX21L44ED42839

Ford F250 2005 vin 1FTSX21575ED04298

Ford F250 2006 vin 1FTSX21566EA40086

Ford F250 2005 vin 1FTSX21525EC26478

Ford F250 2007 vin 1FTSX21547EB03185

Ford 250 Crew Cab 2009 vin 1FTSW21529EA15693

Ford F350 2005 vin 1FTWW31565EC26470

Ford F350 2007 vin 1FTWW31507EB37022

Ford F350 2008 vin 1FTWW31638EC79320

Ford F350 Crew Cab 2009 vin 1FTWW31509EA17451

Ford F350 Crew Cab 2009 vin 1FTWW31549EA19171

Ford F350 Crew Cab 2008 vin 1FTWW31538EC72173

Ford F350 Crew Cab 2008 vin 1FTWW31578EC72161

Ford F350 Crew Cab 2009 vin 1FTWW31649EA17470

Ford F350 Crew Cab 2009 vin 1FTWW31519EA17460

Ford F350 Crew Cab 2008 vin 1FTWW31568EC72149

Ford F350 Crew Cab 2009 vln 1FTWW31509EA87435

Ford F350 Crew Cab 2009 vin 1FTWW31549EA87423

Medical Treatment Centre:

Ford F250 Crew Cab 2009 vin 1FTSX21559EA15684

F750 2WD 2006 vin 3FRWF7NX6V356755 crane 5525S2061031 compressor CAS3560061009 F750 2WD 2006 vin 3FRWF7N66V356753 crane 5525S2061034 compressor CAS3560061029

Kubota:

RTV900 2009 s/n 86108 vin KRTV900A71086108

RTV500 2009 s/n 20106 vin KRTV500A91020106

RTV500 2009 s/n 20429 vin KRTV500A91020428

RTV500 2009 s/n 20027 vin KRTV600A90120027

RTV500 2009 s/n 20424 vln KRTV500A91020424

RTV500 2009 s/n 20401 vin KRTV500A91020401

9000 (enclosed cab. Boug) 2006 s/n 69180 vin KRTV900A61069180

D5G LGP 2006 s/n CAT00D5GJRKG02710

Hagglunds:

BV06 1988 vin STS BV206511200

BV06 1991 vin STS 1888 BV206751100

Argos:

Ävenger 700 8x8 green 2006 vin 2DGSSOBT76NV23554 6x6 wheel argo frontier blue 2007 vin 2DGLSOBL77NF15656 Argo centaur 950 diesel yellow 2008 vin V2000G00000011047

Skidoos:

Tundra Ski doo LT yellow 550 2006 vin 2BPSGD8AX8V000508

Polaris 340 Transport black 2008 vin SN1NT3ASX8C359829 Polaris 340 Transport black 2008 vin SN1NT3AS38C359798 Skidoo Bombardier 600 maroon 2003 vin 2BPS243463V000157 Yamaha Bravo BR250TY 2009 green vin JYE6BD0079A044647 Yamaha Bravo BR250TY 2009 green vin JYE8BD0039A044645 Yamaha Bravo BR250TY 2009 green vin JYE8BD00X9A044688 Yamaha Bravo BR250TY 2009 green vin JYE8BD0059A044646

Argo Trailer - Water tank T-GR-WBD AWU01 (water for argo water tank and water pump for water truck)

Light Plants:

Terex/Amida 4 Lamp 20KW mod unit LP01 s/n GOF-25063 Terex/Amids 4 Lamp 20KW mod unit LP02 s/n GUF-25404 vin 4ZJFL151361K25404 Terex/Amida 4 Lamp 20KW mod unit LP03 s/n GTF-23693 vin 4ZJFL151761H23693

Office Trailer:

Signature Office trailer 2003 s/n 260038256

Trailers:

Royal Cargo Car Hauter 2008 vin 2S9PK531X83019919 closed X744-75 Snowking 24' 2001 vin 2X4TSED231N018894 closed T351-159 Mirage Flat Deck Trailer 2007 vin 5M3BE162771023689 flat X744-74 Snake River 18' flatbed 2008 vin 5PTBF182881010342 flat Y311-87 PJ Trailer Gooseneck FS303 Black 2007 vln 4P5FS303371101558 flat X986-29 Semi Flat deck 2008 vin 5PYAT172681008614 semi flat X285-41 Flat deck with water tanks 2006 vin 2CUL2TJA262020581 flat X557-03

Water Units:

GMC single axel water truck 2000 vin 1GDM7H1C5YJ511774 Bombardier Muskeg 321790267 crawler seismic water hauler vin LD21733U583179E

Drills:

Buggy Mount 10' Selsmio top drill 2000 vin 4179 Bombardier Muskeg Crawler 2001 vin 236UA16208 Bombardler Muskeg Crawler 2001 vin 321910609

Honda quad TRX350 KM4 red 2004 vin 47BTE25654A400135 Honda quad TRX420 FM7 red 2007 vln 1HFTE353474002272 Honda quad TRX420 FM7 yellow 2007 vin 1HFTE352974000453 Polaris 800 quad 2006 vin 4XAMH76A36A643603

SCHEDULE "B"

PERSONAL PROPERTY NOT INCLUDED IN COLLATERAL

- NIL +

SCHEDULE "C"

- 1. LOCATIONS OF DEBTOR'S BUSINESS OPERATIONS
 - (a) Chief Executive Office
 200, 3016 5th Avenue N.E.
 Calgaty, Alberta T2A 6K4
 - (b) Other Locations

2. LOCATIONS OF RECORDS RELATING TO COLLATERAL

200, 3016 – 5th Avenue N.E. Calgary, Albertz T2A 6K4

3. LOCATIONS OF COLLATERAL

200, 3016 - 5th Avenue N.E. Calgary, Alberta T2A 6K4

SCHEDULE "D"

ADDITIONAL COVENANTS, TERMS AND CONDITIONS

Comply with all terms, conditions and covenants set forth in any and all offer of credit letters executed by the Bank and the Debtor, as such letters may be amended, extended, renewed, altered, modified, substituted or replaced from time to time.

Dated May ____, 2011

FROM: IMPACT 2000 INC.

TO: CANADIAN WESTERN BANK

GENERAL SECURITY AGREEMENT



For value received the undersigne	ed IMPACT 2000 INC.	
	(name)	
of 200, 3016 - 5th Avenue N.E.,	Calgary, Alberta T2A 6K4	
(street address)	(city)	(province or territory)
hereby assigns and transfers to CAN	ADIAN WESTERN BANK ("B:	ank") all accounts, debts, claims, monies, demand
and choses in action (collectively th	ie "Debts"), whether now due or	owing or accruing due to or vested in or which
hereafter become due or owing or ac	cauling due to or vested in the un-	dersigned and all securities, bills, notes, contracts
mortgages, other instruments, insur-	ance claims and judgements ac	ow or hereafter taken, held by or vested in the
undersigned or anyone on behalf of	the undersigned in respect of or	as security for any of the Debts (collectively the
"Securities") together with all books a	and papers relating to or being rec	ords of the Debts or by which the Debts are or may
hereafter be evidenced, acknowledged	i or made payable (collectively th	e "Records").
•		•

- 2. This assignment shall constitute a general and continuing collateral security to the Bank for the payment of all indebtedness and liability (present and future, direct or indirect, absolute or contingent, matured or not) of the undersigned to the Bank whether arising from agreement or dealings between the Bank and the undersigned or from agreement or dealings with any third person by which the Bank now is or hereafter may become a creditor of the undersigned or however otherwise arising and whether the undersigned be bound alone or with another or others and whether as principal or surety or guarantor.
- 3. All monies collected or received by the undersigned in respect of the Debts shall be received as trustee for and be promptly paid over to the Bank.
- 4. The Bank may at any time without notice to the undersigned or regard to the state of accounts between it and the undersigned, collect, domand, sue for, enforce, recover and receive the Debts and give valid and binding receipts and discharges therefor and in respect thereof and may realize, self by public or private sale or otherwise dispose of or deal ith the Debts, Securities and Records or any of them, provided that the Bank shall not be liable or accountable for failure to do anything it is by this assignment entitled to do and that it shall not be bound to institute proceedings for the purpose of preserving any right of the Bank, the undersigned or any other person, firm or corporation in respect of the Debts, the Securities, the Records or any of them.
- 5. The undersigned shall pay to the Bank on demand (in addition to all other debts and liabilities of the undersigned to the Bank) all costs, charges and expenses (including, without limitation, lawyer's fees as between a solicitor and his own client on a full indemnity basis) incurred by the Bank for the preparation, execution and perfection and enforcement of this assignment, together with interest thereon, both before and after demand, default and judgement, calculated from the date for payment by the Bank of each such cost, charge and expense until payment by the undersigned hereunder, at a rate per armum equal to 3% above the rate published by the Bank from time to time as the Bank's prime lending rate. A statement signed by any officer of the Bank confirming the Bank's prime lending rate at any time or times shall be conclusive evidence thereof for all purposes hereunder.
- 6. The Bank may compound, compromise, grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the undersigned, with debtors of the undersigned, sureties and others, and with the Debts and Securities and other securities as the Bank may see fit without prejudice to the indebtedness or liability of the undersigned to the Bank or to the right the Bank has to hold and realize upon this assignment.
- 7. All monies collected or received by the Bank in respect of the Debts may be applied on account of such parts of the indebtedness and liability of the undersigned as to the Bank seems best or may at the discretion of the Bank be released to the undersigned, all without prejudice to the Bank's claims upon the undersigned.
- 8. The undersigned warrants that none of the Debts or Securities has been assigned, pledged or encumbered to or in favour of any other person, firm or corporation and covenants and agrees with the Bank not to assign, pledge or encumber y of the Debts or Securities or any rights therein, so long as this assignment remains in force, without the written consent of the Bank. The undersigned also warrants that all taxes, levies or fees imposed upon or in respect of any dealings with goods from the sales of which any of the Debts may have arisen or may hereafter arise, have been or will be fully paid and satisfied by the undersigned.

- 9. When requested by the Bank so to do, the undersigned shall promptly provide and deliver to the Bank in writing all information relating to the Debts including, without limitation, a list of all debtors of the undersigned with the amounts owing by each and the Securities therefor, and the Bank shall be entitled from time to time to inspect the Securities and Records or to take temporary custody thereof and for such purposes shall have access to all premises occupied by the "indersigned."
- 10. When requested by the Bank so to do, the undersigned shall promptly do, make and execute such further assignments, transfers, deeds, financing statements or other documents, acts, matters and things as may by the Bank be required with respect to the Debts and Securities or any part thereof or to give effect to this assignment, and the undersigned does hereby irrevocably constitute and appoint the manager or acting manager of the office of the Bank at which any account of the undersigned is being carried as the true and lawful attornsy of the undersigned, with full power of substitution and with the right to use the name of the undersigned whenever and wherever it may be deemed necessary or expedient, to do, make and execute all such assignments, transfers, deeds, financing statements, documents, acts, matters and things as the undersigned has by these presents agreed to do, make and execute or as may be required to give effect to these presents or in the exercise of the powers on the Bank hereby conferred. The undersigned waives all rights to receive from the Bank a copy of any financing statement, financing change statement or verification filed or issued at any time.
- 11. This assignment is given in addition to and not in substitution for any other assignment or other security heretofore given to and still held by the Bank and is taken by the Bank as additional security for the fulfilment of the aforesaid indebtedness, liabilities and obligations of the undersigned to the Bank and shall not operate as a merger of any simple contract debt or in any way suspend the fulfilment of, or prejudice or affect the rights, remedies and powers of the Bank in respect of the said indebtedness, liabilities or obligations or any securities now or hereafter held by the Bank for the fulfilment thereof.
- 12. If more than one undersigned executes this assignment the provisions hereof shall be read with all grammatical changes thereby rendered necessary and each reference to the undersigned shall include the undersigned and each and every one of them severally and this assignment and all covenants and agreements herein contained shall be deemed to be joint and several and shall extend to any business carried on by the undersigned.
- 13. The provisions of this assignment shall enter to the benefit of the successors and assigns of the Bank and shall be binding upon the respective heirs, executors, administrators, successors and assigns of the undersigned and each of them.

2011

Mar

J WITNESS WHEREOF the undergioned has executed this assignment this 3 day of

TO AT THE THE OWNER OF THE ANNUAL PROPERTY OF THE PROPERTY OF	The same of the sa
Witness (if Borrower individual(s))	Per: (affix Corporate Seal if a corporation)
	Per:

CANADIAN WESTERN BANK

ASSIGNMENT AND POSTPONEMENT OF CREDITOR'S CLAIMS

THIS AGREEMENT made this_	3	day of May, 2011
AMONG:		

MIKE WOLOWICH

("Creditor")

- and -

IMPACT 2000 INC.

("Corporation")

- and -

CANADIAN WESTERN BANK

("Bank")

WHEREAS the Corporation has a banking relationship with the Bank and desires to continue the said relationship and to have such accommodation from time to time as the Bank may furnish it;

AND WHEREAS the Creditor is now and intends to continue to be a supporter of the Corporation in carrying on its business and the Corporation is or may become indebted to the Creditor;

NOW THEREFORE in consideration of the Bank continuing the banking relationship with the Corporation for such time as the Bank sees fit and of such banking accommodation as the Bank may from time to time furnish to the Corporation, the Creditor agrees to postpone and hereby postpones the payment of any and all amounts which the Corporation may owe to the Creditor from time to time and at any time, until the Bank's claim against the Corporation has been paid in full, and in order to give effect to this agreement the Creditor hereby grants a security interest in and assigns and transfers unto the Bank, by way of security for the present and future indebtedness of the Corporation to the Bank, all indebtedness, (including all monies and other proceeds represented thereby or realized therefrom) both present and future, of the Corporation to the Creditor, and the Creditor does hereby agree that the Bank shall be subrogated to all of the Creditor's rights in respect thereto. The Creditor represents and warrants that the existing indebtedness of the Corporation to the Creditor is not subject to any set-off or counterclaim and has not been assigned, pledged, or hypothecated by the Creditor.

The Corporation acknowledges the within assignment and agrees that any present or future indebtedness of any nature or kind of the Corporation to the Creditor will not, without the consent of the Bank, be made the subject of any set-off or counterclaim by the Corporation. The Corporation and the Creditor represent to the Bank that the Creditor holds no security for any present or future indebtedness of any nature or kind of the Corporation to the Creditor, nor does it hold any negotiable paper for or other evidence of any such indebtedness other than that delivered to the Bank herewith. The Corporation and the Creditor hereby agree with the Bank that no satisfaction, consideration or security will be given to or accepted by the Creditor for any debt, liability or obligation, present or future, owing by the Corporation to the Creditor without the prior written consent of the Bank.

The Bank shall not in any event be bound to demand payment of the said claims or any part thereof or take any proceeding to collect any indebtedness of the Corporation to the Creditor or to enforce any security in respect thereof except as the Bank may at its own discretion deem fit.

The Creditor and the Corporation shall each, at any time and from time to time at the request of the Bank, make, execute and deliver all statements of claim, proofs of claim, assignments and other documents and do all matters and things which may be necessary or advisable for the protection of the rights of the Bank under this agreement.

In the event of the bankruptcy or winding up of the Corporation or any distribution of the assets or any of the assets of the Corporation or proceeds thereof among its creditors in any manner whatsoever the Bank may prove in respect f the said sums hereby assigned as a debt owing to it by the Corporation and the Bank shall be entitled to receive the dividends payable in respect thereof, such dividends to be applied on such part or parts of the Corporation's then indebtedness to the Bank as the Bank shall see fit until the whole of such indebtedness has been paid in full and thereafter the Creditor shall be entitled to such dividends.

Upon payment in full of the Corporation's indebtedness to the Bank secured by the assignment herein contained and of all bills, notes and other instruments representing the same, the Bank will release to the Creditor all the Bank's claim under this agreement in respect of the claims hereby assigned to it.

It is declared and agreed that the Bank shall not be bound to continue its banking relationship with the forporation longer than it thinks proper or to make advances or give accommodation to the Corporation to any greater extent than it shall from time to time think proper.

This agreement is in addition to and without prejudice to any other securities, agreements or documents of any kind now or hereafter held by the Bank,

The Creditor and Corporation waive execution by the Bank of this agreement. The Creditor hereby acknowledges receiving a copy of this agreement and waives all rights to receive from the Bank a copy of any financing statement, financing change statement or verification statement filed or issued at any time in respect of this agreement.

This agreement shall be binding upon and shall enure to the benefit of the heirs, executors, administrators, successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF the Creditor and Corporation have executed this agreement on the day and year first above written.

CREDITOR	CORPORATION	
MIKE WOLOWICH	IMPACT 2000 INC.	
	Per. Hollis .	- .
[Signature of Witness to Creditor] William M. Gray	Per:	_(SEAL

***CANADIAN WESTERN BANK

ASSIGNMENT AND POSTPONEMENT OF CREDITOR'S CLAIMS

THIS AGREEMENT made this	<u> </u>	day	of May,	2011
MONG-				

PATTY WOLOWICH

("Creditor")

- and -

IMPACT 2000 INC.

("Corporation")

- and - '

CANADIAN WESTERN BANK

("Bank")

WHEREAS the Corporation has a banking relationship with the Bank and desires to continue the said relationship and to have such accommodation from time to time as the Bank may furnish it;

AND WHEREAS the Creditor is now and intends to continue to be a supporter of the Corporation in carrying on its business and the Corporation is or may become indebted to the Creditor;

NOW THEREFORE in consideration of the Bank continuing the banking relationship with the Corporation for such time as the Bank sees fit and of such banking accommodation as the Bank may from time to time furnish to the Corporation, the Creditor agrees to postpone and hereby postpones the payment of any and all amounts which the Corporation may owe to the Creditor from time to time and at any time, until the Bank's claim against the Corporation has been paid in full, and in order to give effect to this agreement the Creditor hereby grants a security interest in and assigns and transfers unto the Bank, by way of security for the present and future indebtedness of the Corporation to the Bank, all indebtedness, (including all monies and other proceeds represented thereby or realized therefrom) both present and future, of the Corporation to the Creditor, and the Creditor does hereby agree that the Bank shall be subrogated to all of the Creditor's rights in respect thereto. The Creditor represents and warrants that the existing indebtedness of the Corporation to the Creditor is not subject to any set-off or counterclaim and has not been assigned, pledged, or hypothecated by the Creditor.

The Corporation acknowledges the within assignment and agrees that any present or future indebtedness of any nature or kind of the Corporation to the Creditor will not, without the consent of the Bank, be made the subject of any set-off or counterclaim by the Corporation. The Corporation and the Creditor represent to the Bank that the Creditor holds no security for any present or future indebtedness of any nature or kind of the Corporation to the Creditor, nor does it hold any negotiable paper for or other evidence of any such indebtedness other than that delivered to the Bank herewith. The Corporation and the Creditor hereby agree with the Bank that no satisfaction, consideration or security will be given to or accepted by the Creditor for any debt, liability or obligation, present or future, owing by the Corporation to the Creditor without the prior written consent of the Bank.

The Bank shall not in any event be bound to demand payment of the said claims or any part thereof or take any proceeding to collect any indebtedness of the Corporation to the Creditor or to enforce any security in respect thereof except as the Bank may at its own discretion deem fit.

The Creditor and the Corporation shall each, at any time and from time to time at the request of the Bank, make, execute and deliver all statements of claim, proofs of claim, assignments and other documents and do all matters and things which may be necessary or advisable for the protection of the rights of the Bank under this agreement.

In the event of the bankruptcy or winding up of the Corporation or any distribution of the assets or any of the assets of the Corporation or proceeds thereof among its creditors in any manner whatsoever the Bank may prove in respect f the said sums hereby assigned as a debt owing to it by the Corporation and the Bank shall be entitled to receive the dividends payable in respect thereof, such dividends to be applied on such part or parts of the Corporation's then indebtedness to the Bank as the Bank shall see fit until the whole of such indebtedness has been paid in full and thereafter the Creditor shall be entitled to such dividends.

Upon payment in full of the Corporation's indebtedness to the Bank secured by the assignment herein contained and of all bills, notes and other instruments representing the same, the Bank will release to the Creditor all the Bank's claim under this agreement in respect of the claims hereby assigned to it.

It is declared and agreed that the Bank shall not be bound to continue its banking relationship with the Lorporation longer than it thinks proper or to make advances or give accommodation to the Corporation to any greater extent than it shall from time to time think proper.

This agreement is in addition to and without prejudice to any other securities, agreements or documents of any kind now or hereafter held by the Bank.

The Creditor and Corporation waive execution by the Bank of this agreement. The Creditor hereby acknowledges receiving a copy of this agreement and waives all rights to receive from the Bank a copy of any financing statement, financing change statement or verification statement filed or issued at any time in respect of this agreement.

This agreement shall be binding upon and shall enare to the benefit of the heirs, executors, administrators, successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF the Creditor and Corporation have executed this agreement on the day and year first above written.

CREDITOR .	CORPORATION		
- Kublound	IMPACT 2000 INC.		
PATTY WOLOWICH [Signature of Witness to Creditat]	Per: AMAJAK	2	
William M. Gray Print Nangaefe Winess Steller ditor	Per:	<u> </u>	(SEAL)

CANADIAN WESTERN BANK AUTHORITY TO HOLD BLANK PROMISSORY NOTE

To: Canadian Western Bank 606 - 4 th Street, S.W. Calgary, Alberta T2P 1T1	Date May 31 ,2011
(Branch Address)	Name of Customer
	IMPACT 2000 INC.

The undersigned considers it necessary and beneficial to request Canadian Western Bank (herein called the "Bank") to hold a blank promissory note signed by the undersigned as maker and made to the order of the Bank as payee. The purpose of this procedure is to permit the Bank to credit or otherwise advance the proceeds of the note to an account of the undersigned when this is required. This note, so executed, is hereby delivered to the Bank to be held in safekeeping until utilized.

The Bank, in its discretion, is hereby authorized from time to time to complete the note, as required, by filling in the appropriate date, interest rate, amount of payment and payment dates.

In consideration of the benefits duly acknowledged, accruing to the undersigned from this arrangement, it is agreed that the note so processed is a valid, binding and negotiable demand promissory note of the undersigned as maker.

IMPACT 2000 INC.	
MATINT	
Signature	C/S
Signature Signature	STORY CONTRACTOR

THIS IS EXHIBIT "

to the Affidavit of

Lawrence Chua
Sworn before me this 13TH

Day of Tune 2013

Museum a Carbon

A Commissionar for Oaths/Notary Public in and for the Province of Alberta
State of Connecticut,

United States of America

SUSAN A CORBIN NOTARY PUBLIC CONNECTICUT MY COMMISSION EXPIRES 11-30-2013 MILES
D. VISON LLP
BARRISTERS AND SOLICITORS

1600 BOW VALLEY SQUARE II
205 - 5 AVENUE 5.W,
CALGARY, ALBERTA T2P 2V7
TEL (403) 286-0333
FAX (403) 263-6640
EMAIL THEFIRM@MILESDAVISON.COM

THIS IS EXHIBIT "
referred to In the Affipavit of
TCSSIE TO h Q

Swern before me this 26

A Commerciant for Opins in and to: the Province of Alberta WARD A. MATHER
Direct Tolephone: (403) 298-0390
Direct E-mail: wmather@milesdavison.com
Assistant Ronda Cox: (403) 298-0374

Michael D. Novak Notary Public 2300, 10303 Jasper Avenue Edmonton, AB T5J 3X6 October 24, 2012

Our File: 31920 SLB/WAM

SENT BY REGISTERED MAIL
AND PROCESS SERVER

Mike Wolowich 205 Country Meadows Place-Site 2, Box 83, RR1 DeWinton, Alberta TOL, 0X0

Patty Wolowich 205 Country Meadows Place Site 2, Box 83, RR1 DeWinton, Alberta TOL 0X0 SENT BY COURIER

Mike Wolowich 11571 E. Cochese Drive Scottsdale, Arizona, U.S.A. 85259

Patty Wolowich 11571 E. Cochese Drive Scottsdale, Arizona, U.S.A. 85259

Dear Mr. and Mrs. Wolowich:

Re: Canadian Western Bank

Formal Demand for Payment on Guarantee of Impact 2000 Inc.

We are the solicitors for Canadian Western Bank (the "Bank"). We refer to the formal demand for payment dated October 23rd, 2012 made on behalf of the Bank to Impact 2000 Inc., copy enclosed. We also refer to your Guarantee dated May 31st, 2011, guaranteeing repayment of the obligations of Impact 2000 Inc. to the Bank up to the principal amount of \$500,000.00, plus interest and costs.

On behalf of the Bank, we hereby make demand on you, as guarantors, for payment of all sums owing by Impact 2000 Inc. to the Bank, including all interest and costs, as more particularly set out in the enclosed letter and in accordance with your Guarantee.

You should contact our office at the time of payment to confirm the exact amount owing.

including interest and all costs at the date of payment.

If the amounts demanded are not paid in full on or before the close of business on November 7th, 2012, then we will take all proceedings available to the Bank to collect the amounts owing. We will also seek the costs of all legal proceedings on a solicitor-and-own-client (full indemnity) basis, as provided by your guarantees.

We also enclose, for service on you, a Notice of Intention to Enforce Security, given pursuant to s. 244 of the Bankruptcy and Insolvency Act (Canada).

Please govern yourselves accordingly.

Yours very truly,

MILES DAVISON LLP

WARD A. MAYTHE

WAM:rgc Enclosures

cc: Canadian Western Bank, Attention: Mr. Derek Stokke/Mr. Ken Duke

cc: Fleming LLP, Attention: Mr. William Gray

e:\ronda\mkodocs\8400\31920.de2

to the Affidavit of

Lawrence Chua
Sworn before me this 137H

Day of June 2013

A Commissioner for Outba Notary Public in and for the Province of Alberta
State of Connecticut,

United States of America

SUSAN A CORBIN NOTARY PUBLIC CONNECTICUT MY COMMISSION EXPIRES 11-30-2013

FORM 115 NOTICE OF INTENTION TO ENFORCE SECURITY (Subsection 244(1))

TO: Impact 2000 Inc.

#200, 3016 - 5th Avenue N.E.

Calgary, Alberta, T2A 6K4

Impact 2000 Inc. c/o Registered Office #900, 926 - 5th Avenue S.W. Calgary, Alberta, T2P 0N7

TAKE NOTICE THAT:

THIS IS EXHIBIT " "
referred to in the Affidavit of Jegs 18 Taha

Sworn before me this 26 the day of Nove more 20 12

Accomplissioner for Oaths In and for the Provints of Alberta

Michael D. Novak Notary Public

2300, 10303 Jasper Avenue
1. Canadian Western Bank, a secured creditor, intends Edmonstoce AB Booksity on your property as described below:

- (a) All present and after-acquired personal property;
- (b) All present and after-acquired real property.
- 2. The security that is to be enforced is as follows:
 - (a) Commitment Letter dated April 6th, 2011, as amended February 23rd, 2012;
 - (b) Promissory Note dated July 21st, 2011, in the principal amount of \$700,000.00, with interest at a variable rate equal to Canadian Western Bank's Prime Rate plus 2,00% per annum;
 - (c) General Security Agreement dated May 31st, 2011 over all present and afteracquired real and personal property and a fixed charge on all major serial numbered pieces of equipment;
 - (d) General Assignment of Debts dated May 31st, 2011;
 - (e) Revolving Credit Agreement dated February 24th, 2012 (the "Line of Credit") in the principal amount of \$2,000,000.00, with interest at the greater of 5% per amoum (the "Minimum Rate") and a variable rate equal to Canadian Western Bank's Prime Rate plus 2.00% per amoum;
- 3. The total indebtedness secured is \$1,006,889.52 as at October 23rd, 2012 the particulars of which are as follows:

Loan #10341782, L#1	
Principal	\$430,854.55
Interest to October 23rd, 2012	708.25
	\$431,562.80
Per Diem: \$59.02	
Interest Rate: Prime + 2.00% per annum	
Loan #10341782, L#2	•
Principal	\$540,233.26
Interest to October 23rd, 2012	<u>888,06</u>
	\$541,121.32
Per Diem: \$74.00	
Interest Rate: Prime + 2.00% per annum	
Loan #10341782, L#3 (Overdraft)	
Principal	\$34,154.87
Interest to October 23rd, 2012	50,53
	\$34,205,40
Per Diem: \$16.84	

Effective October 12th, 2012, CWB Prime was 3.00% per annum. On behalf of the Bank, we also demand payment of interest on the aforesaid amounts from October 23rd, 2012 at the applicable rate, subject to changes in CWB Prime from time to time, plus all costs, charges and expenses (including all solicitor-and-own-client legal expenses) incurred by the Bank on a full indemnity basis. Interest is calculated and payable monthly, with interest on overdue interest at the same rate and calculated and payable on the same basis.

4. Canadian Western Bank will not have the right to enforce its security until after the expiry of the 10-day period following the sending of this notice, unless you consent to an earlier enforcement.

DATED at Calgary, Alberta, this 24th day of October, 2012.

Interest Rate: 18.00% per annum

CANADIAN WESTERN BANK, by its solicitors MILES DAVISON LLP

Per:

THIS IS EXHIBIT "_	_G "
to the Affic	levit of
Lawrence	Chua
Sworn before me this	(374
Day of June	. 20 13
Dusan	alorbin
A Germalssianer for O	athe/Notary Public
in and for the Provi	
State of Co	nnecticut,
Instead Stut	as of American

SUSAN A CORBIN NOTARY PUBLIC CONNECTICUT MY COMMISSION EXPIRES 11-30-2013

Government Corporation/Non-Profit Search of Alberta **Corporate Registration System**

Date of Search:

2013/06/11

Time of Search:

01:57 PM

Search provided by:

GOWLING LAFLEUR HENDERSON LLP

Service Request Number:

19839017

Customer Reference Number: A131510 /GL SCARLETT

Corporate Access Number: 2017417102

Legal Entity Name:

TAKODA RESOURCES INC.

Legal Entity Status:

Active

Alberta Corporation Type: Named Alberta Corporation Registration Date:

2013/04/15 YYYY/MM/DD

Registered Office:

Street:

2500, 450 - 1ST STREET SW

City:

CALGARY

Province:

ALBERTA

Postal Code:

T2P 5H1

Directors:

Last Name:

CHUA

First Name:

LAWRENCE

Street/Box Number: 40 BYRAM SHORE ROAD

City:

GREENWICH

Province:

CONNECTICUT

Postal Code:

06830

Last Name:

STUART

First Name:

JOHN

Middle Name:

Ē.

Street/Box Number: 800 WESTCHESTER AVENUE

City:

RYE BROOK

Province:

NEW YORK

Postal Code:

10573

Last Name:

WOLOWICH

First Name:

MICHAEL

Street/Box Number: RR#1, SITE 2, BOX 83

City:

DEWINTON

Province:

ALBERTA

Postal Code:

TOL 0X0

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure:

SEE SCHEDULE

Share Transfers Restrictions: SEE SCHEDULE

Min Number Of Directors:

1

Max Number Of Directors:

10

Business Restricted To:

NONE Business Restricted From: NONE

Other Provisions:

SEE SCHEDULE

Other Information:

Filing History:

List Date (YYYY/MM/DD) Type of Filing	
2013/04/15	Incorporate Alberta Corporation
2013/04/17	Change Director / Shareholder

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2013/04/15
Restrictions on Share Transfers	ELECTRONIC	2013/04/15
Other Rules or Provisions	ELECTRONIC	2013/04/15

This is to certify that, as of this date, the above information is an accurate reproduction of

data contained within the official records of the Corporate Registry.



11/06/2013

Page 3 of 3

THIS IS EXHIBIT "	**
to the Affidavit of	
Lawrence Chua	
Swotn before me this	_
Day of June , 20 13	_
Susaw a Corbin	
A Commissioner for Oaths/Netary Public	
in and for the Province of Alberta	
State of Connecticut.	
United States of Ameri	-

SUSAN A CORBIN
NOTARY PUBLIC
CONNECTICUT
MY COMMISSION EXPIRES 11-30-2013

ASSIGNMENT OF INDEBTEDNESS AND SECURITY

BETWEEN:

CANADIAN WESTERN BANK, a chartered bank, with an address at #200, 606 - 4th Street S.W., Calgary, Alberta, T2P 1T1

(hereinafter referred to as the "Bank" or the "Assignor")

OF THE FIRST PART,

- and -

TAKODA RESOURCES INC., a corporation, with an address at 2806 Ogden Road S.E., Calgary, Alberta, T2R 4R7

(hereinafter referred to as the "Assignee")

OF THE SECOND PART,

WHEREAS the Bank has made loans and extended credit to impact 2000 Inc. ("Impact"), more fully described herein as the "Indebtedness";

AND WHEREAS Mike Wolowich and Patty Wolowich (together the "Guarantors") jointly and severally personally guaranteed payment of the Indebtedness to the Bank up to the sum of \$500,000 plus interest and costs;

AND WHEREAS the Bank has demanded payment of the Indebtedness from Impact and, to the extent guaranteed, from the Guarantors;

AND WHEREAS Impact is in the course of Proposal proceedings under and pursuant to the Bankruptcy and Insolvency Act (Canada);

AND WHEREAS the Assignee has now offered to purchase the Indebtedness in its entirety and the Assignor has accepted this offer and agreed to transfer and assign all of its right, title and interest in and to the Indebtedness and the Security, all as described herein, to the Assignee, subject to the terms and conditions set out herein:

NOW THEREFORE IN CONSIDERATION OF THE PREMISES and the mutual covenants herein contained, the parties hereto agree together as follows:

CAL_LAW\ 1925325\3

1.DEFINITIONS

- (a) In this Agreement, the following terms shall have the following meanings:
 - (i) "Indebtedness" means all of the indebtedness, loans and obligations owed by impact to the Bank including principal amounts owing, interest and all costs, including all legal costs on a solicitor and client full indemnity basis.
 - (ii) "Security" means collectively the loan and security documents held by the Assignor in connection with and evidencing and securing the Indebtedness, including without limitation all facility loan and facility agreements, promissory notes, security and guarantees held by the Assignor for the repayment of the Indebtedness, including without limitation those documents more particularly described in Schedule "A" attached hereto.
- (b) This Agreement is being executed and delivered by the parties hereto pursuant to and in furtherance of the transaction described in the letter agreement dated April 11th, 2013 (the "Full Circle Agreement") between the Bank and Full Circle Capital Corporation and its affiliates including Full Circle Funding, LLP (collectively "Full Circle Capital"). The Assignee is an affiliate of Full Circle Capital for the purposes of the said transaction. Where there is any inconsistency between the Full Circle Agreement and this Agreement, the provisions of this Agreement shall be read and construed in a manner which more fully effects the purpose and intention of the Full Circle Agreement. This Agreement may be amended only by written instrument executed by all parties hereto.
- (c) All dollar amounts referred to in this Agreement are dollar amounts in Canadian funds.

2.ASSIGNMENT RE: INDEBTEDNESS, ACTION AND SECURITY

(a) In consideration for the payment by the Assignee to the Assignor of the amount of ONE MILLION, ONE HUNDRED AND EIGHTEEN THOUSAND (\$1,118,000.00) DOLLARS, being the total amount of the Indebtedness owing as at April 15th, 2013, Including principal amounts, interest and costs, the receipt of which sum is hereby acknowledged, the Assignor, subject to the terms hereof, hereby assigns, transfers and conveys to the Assignee all the right, title and interest of the Assignor in and to the Indebtedness and

CAL_LAW\ 1925325\3

the Security, including all rights of action or other rights accruing to the Assignor in respect of the same.

- (b) The Assignor acknowledges and warrants that (1) the amount of the Indebtedness is as set out in paragraph 2(a), (2) the Assignor is entitled to assign to the Assignee all of the Indebtedness and the Security, (3) the Indebtedness is still owing by Impact, and (4) no part of the Indebtedness or the Security has previously been paid by Impact or the Guarantors, or transferred, assigned, encumbered, released or discharged by the Assignor. The Assignor further agrees that it will not, at any time after the effective date of this Agreement, accept payment of the Indebtedness or any part of it or do any act by which the Assignee may be prevented from enforcing payment of the same, and in the event that any payments are made to the Assignor (other than the payment of the purchase price for the Indebtedness contemplated by paragraph 2(a)), such payments shall be held in trust by the Assignor for and on behalf of the Assignee and forthwith remitted to the Assignee.
- (c) Except as provided in paragraph 2(b) of this Agreement, the Assignee hereby accepts the assignment, transfer and conveyance of all of the Assignor's right, title and interest in and to the Indebtedness and the Security absolutely "as is, where is", and without any recourse, warranty or claim whatsoever against the Assignor, and the Assignee acknowledges and agrees that the Assignor has made no representation or warranty whatsoever as to the indebtedness or the Security except as set out herein. Without limitation to the foregoing, the Assignor expressly disclaims any representation or warranty as to:
 - the nature or the extent of the right, title and interest of the Assignor in and to the Security; and
 - (ii) the validity, perfection or enforceability of the Security or any part thereof.
- (d) The Assignee expressly covenants and agrees that it will not hold out or represent to any third party at any time that it acts as agent for the Assignor with respect to the Indebtedness or the Security, but in fact will advise all third parties that it is now the owner of the same as transferred and assigned to it pursuant to this Agreement.
- (e) The Assignee shall give written notice of this Agreement to impact and the Guarantors and otherwise take such steps and do such things as may be advisable or required by law to pass and transfer the legal right to, and all

legal and other remedies for, the Indebtedness and the Security to the Assignee. The Assignee shall not commence or continue any court action or proceeding or otherwise take any steps to collect the Indebtedness or enforce the Security in the name of the Bank, but in fact will commence or continue all such actions or steps in its own name and cause any existing court proceedings, including in the Proposal proceedings of Impact, to be amended, or suitable notices filed, accordingly, within 10 business days of the effective date of this Agreement.

(f) The intention of this Agreement is that once the Indebtedness and the Security are transferred and assigned by the Bank to the Assignee hereunder, any and all dealings between the Bank and Impact and its Guarantors shall be fully terminated and at an end.

3.EFFECTIVE TIME OF AGREEMENT

- (a) This effective date of this Agreement shall be April 15th, 2013 or such later date as the parties hereto may mutually agree upon in writing.
- (b) In addition to the amendments and filings required by paragraph 3(f) of this Agreement, the Assignee agrees that it will forthwith register or file, as the case may be, at its sole expense, all appropriate documents in all registries where the Indebtedness, the Security, or any of them, are registered or filed, to evidence the transfer and assignment of the Indebtedness and the Security by the Assignor to the Assignee.
- (c) If the Assignee fails to make such amendments, registrations or filings within 10 business days of the effective date of this Agreement, then the Assignee hereby irrevocably authorizes and appoints the Assignor and its solicitors to do so, without recourse, and the Assignee shall then reimburse the Assignor for all reasonable costs incurred by it in making such registrations and filings.

4. GENERAL

(a) Each of the parties hereto shall from time to time, at the sole expense of the Assignee, do and perform all such further acts and things and execute and deliver all such further deeds, documents and assurances as may be reasonably required to give effect to the intent and purpose of this Agreement.

- (b) This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the parties hereto hereby irrevocably attorn to the exclusive jurisdiction of the courts in Alberta.
- (c)The provisions contained in this Agreement shall not merge in and shall survive any assignment, transfer, document or other instrument given pursuant hereto or in connection herewith.
- This Agreement shall enure to the benefit of and be binding upon the (d) parties hereto and their respective heirs, successors and permitted assigns. If the Assignee assigns the Indebtedness and Security to a third party, the Assignee shall obtain from such third party, as part of such assignment, a covenant in favour of the Assignor to comply with the obligations of the Assignee to the Assignor under paragraphs 2(d) and 2(e) and shall acknowledge in favour of the Assignor that the assignment, as against the Assignor, is on an entirely "as is, where is" basis, and that there are no express or implied warranties in its favour from the Assignor of any kind whatsoever.
- This Agreement may be executed by electronic means and in several parts (e) in the same form and the parts as executed shall form one original agreement, and the parts, if more than one, shall be read together and construed as if all the signing parties hereto had executed one copy of this Agreement,
- (f) Wherever the singular or masculine are used through this Agreement, the same shall be construed as being the plural or feminine or neuter, where the context so requires.

IN WITNESS WHEREOF the parties hereto have executed this Agreement in Calgary, Alberta, under seal this 15th day of April, 2013.

CANADIAN WESTERN BANK Per: Richard Gilpin (c/s)Sr. Vice President Gredit Fisk Management Title Per: Wayne MacInnes Title: Special Advisor Credit Rick Management CAL_LAW\ 1925325\3

TAKODA RESOURCES INC.	
Per	
Time Director	(c/s)
Per:\\\	
Title: V	

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CAL_LAW\ 1925325\3

SCHEDULE "A"

- Facility Letter from Canadian Western Bank ("CWB") to Impact 2000 Inc. ("Impact") dated February 23rd, 2012;
- Authority to Hold Blank Promissory Note dated May 31st, 2011 executed on behalf of Impact;
- Revolving Credit Agreement dated February 24th, 2012 between CWB and Impact executed on behalf of Impact;
- Fixed Rate Promissory Note dated July 21st, 2011 in favour of CWB in the principal amount of \$700,000 executed on behalf of impact;
- General Security Agreement dated May 31st, 2011 in favour of CWB re: all present and after-acquired real and personal property and certain specified collateral, executed on behalf of Impact;
- General Assignment of Debts dated May 31st, 2011 in favour of CWB executed on behalf of impact;
- Certified Copy of Resolutions of the Board of Directors of Impact dated May 31st, 2011 (re: borrowing authorization) signed by Michael Wolowich as President of Impact;
- Limited Liability Guarantee dated May 31st, 2011 in favour of CWB with respect to the obligations of Impact, up to the principal amount of \$500,000, signed by Michael Wolowich and Patty Wolowich;
- Assignment and Postponement of Creditor's Claims dated May 31st, 2011, in favour of CWB signed by Michael Wolowich and on behalf of Impact;
- Assignment and Postponement of Creditor's Claims dated May 31st, 2011 in favour of CWB signed by Patty Wolcowich and on behalf of Impact;

AFFIDAVIT VERIFYING CORPORATE SIGNING AUTHORITY

DURTGIATOR of Calgary, Alberta, MAKE OATH AND SAY:

- 1. I am an officer and director of TAKODA RESOURCES INC., named in the within or annexed instrument (or caveat).
- 2. I am authorized by the corporation to execute the affached instrument without affixing a corporate seal.

SWORN BEFORE ME, at the City of Calgary, in the Province of Alberta, this _______day of April, 2013.

A Commissioner for Oaths In and

for the Province of Alberta

CAL_LAW\ 1925325\3

BETWEEN:

CANADIAN WESTERN BANK

OF THE FIRST PART,

- and -

TAKODA RESOURCES INC.

OF THE SECOND PART,

ASSIGNMENT OF INDEBTEDNESS AND SECURITY

MILES DAVISON LLP Barristers and Solicitors 1600 Bow Valley Square II 205 - 5 Avenue S.W. Calgary, Alberta T2P 2V7

Telephone: (403) 298-0333 Fax: (403) 263-6840

Attention: Susan L. Robinson Burns, Q.C.

Our File: 31920 SLB

THIS IS EXHIBIT " "	
to the Affidavit of	
Lawrence Chua	
Swom before me this 1374	
Day of June , 20 13	
Susan a Corbin	
A Commissioner for Oaths/Notary Public	
in and for the Province of Alberta.	
State of Connecticut.	
United States of America	

SUSAN A CORBIN NOTARY PUBLIC CONNECTICUT MY COMMISSION EXPIRES 11-30-2013



montréal - oltawa - toronto - hamilton - saladao región - colgary - variconver - beijleg - moscow - fondon

April 16, 2013

VIA FACSIMILE: 403-297-2752

Jeffrey Oliver
Direct 403-298-1818
Direct Fax 403-895-3558
jeffrey.oliver@gowlings.com
File No. A131510

Court of Queen's Bench of Alberta, Commercial List Calgary Courts Centre 601 – 5th Street SW Calgary, Alberta T2P 5P7

Attention: Pat Gordon

Dear Madam:

Re: Applications by Canadian Western Bank, a Creditor of Impact 2000 Inc. for a Receivership Order

and to Terminate the Proposal Proceedings of Impact 2000 Inc.

Court File No.: 25-094321

We are counsel for Takoda Resources Inc. ("Takoda").

We understand the above-noted application by Canadian Western Bank ("CWB") is scheduled to proceed on April 18, 2013 at 10:30 a.m. We can advise that the security held by CWB against the assets of Impact 2000 Inc. ("Impact"), which security forms the basis for CWB's applications for a Receivership Order against Impact and an Order terminating the Proposal proceedings of Impact, has been assigned to Takoda, effective today.

As assignee of the CWB debt and security, Takoda is abandoning the two applications filed by CWB and confirms that it will not be pursuing the relief sought therein. This is without prejudice to the rights of Takoda to pursue such relief or any other relief in the future, upon its own application. As you will note, we have provided a copy of this letter to counsel for CWB, as well as other interested parties.

Should you or Justice Homer require anything further from us, please do not hesitate to contact the writer.

Sincerely,

GOWLING LAFLEUR HENDERSON LLP

JLO:rc cc:

Jeffrey Oliver

Susan L. Robinson-Burns, Q.C., counsel for CWB sburns@milesdavison.com

A. Robert Anderson, Q.C., counsel for Impact randerson@osler.com

Kyle Kashuba, counsel for Alvarez & Marsal, Proposal Trustee

kyle.kashuba@nortonrose.com Orest Konowalchuk, Alyarez & Marsal

okonowalchuk@alvarezandmarsal.com

A131510\CAL_LAW\ 1926181\1

THIS IS EXHIBIT ""
to the Affidavit of
Lawrence Chua
Sworn before me this
Day of Tine , 20 13
_ Susan a Corbin
A Commissionar for Oaths/Notary Public
in and for the Province of Alberta.
State of Connecticut,
United States of America

SUSAN A CORBIN NOTARY PUBLIC CONNECTICUT MY COMMISSION EXPIRES 11-30-2013

Personal Property Registry Search Results Report

Search ID#: Z04744559

Page 1 of 19

Transmitting Party GOWLING LAFLEUR HENDERSON LLP

1400, 700 2 STREET S.W. CALGARY, AB T2P 4V5

Party Code: 50016237

Phone #: 403 298 1004 Reference #: A131510/G. SCARLETT

Search ID #: Z04744559

Date of Search: 2013-Jun-12

Time of Search: 12:23:40

Business Debtor Search For:

IMPACT 2000 INC.

Both Exact and Inexact Result(s) Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches. Be sure to read the reports carefully.



Personal Property Registry Search Results Report

Search ID#; Z04744559

Page 2 of 19

Business Debtor Search For:

IMPACT 2000 INC.

Search ID #: Z04744559

Date of Search: 2013-Jun-12

Time of Search: 12:23:40

Registration Number: 08091526171

Registration Type: SECURITY AGREEMENT

Registration Date: 2008-Sep-15

Registration Status: Current

Expiry Date: 2013-Sep-15 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

1

IMPACT 2000 INC 3016 5 AVE NE Calgary, AB T2A 6K4 <u>Status</u>

Current

Secured Party / Parties

Block

1

IOS Financial Services 2300 Meadowvale Blvd, Suite 200 Mississauga, ON L5N 5P9

Status

Current

Collateral: General

Block Description Status 4 1

1

ALL GOODS WHICH ARE PHOTOCOPIERS, PHOTOCOPYING MACHINES AND DUPLICATION DEVICES, TOGETHER WITH ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND ALL PARTS, ACCESSORIES, ACCESSIONS AND ATTACHMENTS THERETO AND ALL PROCEEDS WHICH ARE ACCOUNTS, GOODS, CHATTLE PAPER, SECURITIES, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTERCEPT OF THE PROCEEDS OF THE PROCE INTANGIBLES, CROPS OR INSURANCE PROCEEDS (REFERENCE LEASE NO. 4430013002)

Personal Property Registry Search Results Report

Search ID#: Z04744559

Page 3 of 19

Business Debtor Search For:

IMPACT 2000 INC.

Search ID #: Z04744559

Date of Search: 2013-Jun-12

Time of Search: 12:23:40

Registration Number: 10100110246

Registration Type: SECURITY AGREEMENT

Registration Date: 2010-Oct-01

Registration Status: Current

Expiry Date: 2016-Oct-01 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

IMPACT 2000 INC 200, 3016 - 5TH AVENUE NORTH E CALGARY, AB T2A 6K4

<u>Status</u>

Current

Secured Party / Parties

Block

1

CBSC CAPITAL INC. 100-1235 North Service Rd W Oakville, ON L6M 2W2 <u>Status</u>

Current

Collateral: General

₿	lock	Description	<u>Status</u>
1		COPIERS - DIGITAL - ALL GOODS SUPPLIED BY THE SECURED PARTY	Current
2		TO THE DEBTOR, TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES,	Current
3		ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND	Current
4		IMPROVEMENTS TO THE FOREGOING, PROCEEDS: GOODS, CHATTEL	Current
5		PAPER, SECURITIES, ACCOUNTS, INVENTORY, DOCUMENTS OF TITLE,	Current
6		INSTRUMENTS, MONEY, CROPS, LICENCES AND INTANGIBLES.	Current

Personal Property Registry Search Results Report

Search ID#: Z04744559

Page 4 of 19

Business Debtor Search For:

IMPACT 2000 INC.

Search ID #: Z04744559

Date of Search: 2013-Jun-12

Time of Search: 12:23:40

Registration Number: 11060925971

Registration Type: SECURITY AGREEMENT

Registration Date: 2011-Jun-09

Registration Status: Current

Expiry Date: 2016-Jun-09 23:59:59

Exact Match on:

Debtor

No: 1

Amendments to Registration

11061312191

Amendment

2011-Jun-13

12110126375

Amendment

2012-Nov-01

13041825565

Amendment

2013-Apr-18

13061223299

Amendment

2013-Jun-12

Debtor(s)

Block

IMPACT 2000 INC.

200, 3016 - 5TH AVENUE N.E. CALGARY, AB T2A 6K4

<u>Status</u> Current

<u>Block</u>

2

DEVONINEC CORPORATION 2000, 400 3RD AVENUE SW CALGARY, AB T2P 4H2

<u>Status</u>

Current by 13061223299

Secured Party / Parties

Block

CANADIAN WESTERN BANK

606 - 4TH STREET S.W. CALGARY, AB T2P 1T1

Status

Deleted by 13041825565

Black

2

<u>Status</u>

Current by 13041825565

Personal Property Registry Search Results Report

Search ID#: Z04744559

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TAKODA RESOURCES INC. 2806 Ogden Road S.E. Calgary, AB T2R 4R7

Collateral: Serial Number Goods

Block	Serial Number	<u>Year</u>	Make and Model	Category	<u>Status</u>
1	2GCEK19T821103905	2002	CHEVROLET SILVERADO	MV - Motor Vehicle	Current
2	1FTSX21527EA00914	2007	FORD F250	MV - Motor Vehicle	Current
3	1FTSX21516EA13068	2006	FORD F250	MV - Motor Vehicle	Current
4	1FTSW21546ED90478	2006	FORD F250	MV - Motor Vehicle	Current
5	1FTNX21L44ED42839	2004	FORD F250	MV - Motor Vehicle	Current
6	1FTSX21575ED04298	2005	FORD F250	MV - Motor Vehicle	Current
7	1FTSX21566EA40086	2006	FORD F250	MV - Motor Vehicle	Current
8	1FTSX21525EC26478	2005	FORD F250	MV - Motor Vehicle	Current
9	1FTSX21547EB03185	2007	FORD F250	MV - Motor Vehicle	Current
10	1FTSW21529EA15693	2009	FORD 250 CREW CAB	MV - Motor Vehicle	Current
11	1FTWW31555EC26470	2005	FORD F350	MV - Motor Vehicle	Current
12	1FTWW31507EB37022	2007	FORD F350	MV - Motor Vehicle	Current
13	1FTWW31538EC79320	2008	FORD F350	MV - Motor Vehicle	Current
14	1FTWW31509EA17451	2009	FORD F350 CREW CAB	MV - Motor Vehicle	Current
15	1FTWW31549EA19171	2009	FORD F350 CREW CAB	MV - Motor Vehicle	Current
16	1FTWW31538EC72173	2008	FORD F350 CREW CAB	MV - Motor Vehicle	Current
17	1FTWW31578EC72161	2008	FORD F350 CREW CAB	MV - Motor Vehicle	Current
18	1FTWW31549EA17470	2009	FORD F350 CREW CAB	MV - Motor Vehicle	Current
19	1FTWW31519EA17460	2009	FORD F350 CREW CAB	MV - Motor Vehicle	Current
20	1FTWW31568EC72149	2008	FORD F350 CREW CAB	MV - Motor Vehicle	Current
21	1FTWW31509EA87435	2009	FORD F350 CREW CAB	MV - Motor Vehicle	Current
22	1FTWW31549EA87423	2009	FORD F350 CREW CAB	MV - Motor Vehicle	Current
23	1FTSX21559EA15684	2009	FORD F250 CREW CAB	MV - Motor Vehicle	Current
24	3FRWF7NX6V356755	2006	F750 2WD SERVICE TRUCK	(MV - Motor Vehicle	Current
25	5525S2061031	2006	CRANE	MV - Motor Vehicle	Current
26	CAS3560061009	2006	COMPRESSOR	MV - Motor Vehicle	Current
27	3FRWF7N66V356753	2006	F750 2WID \$ERVICE TRUCK	MV - Motor Vehicle	Current
28	552552061034	2006	CRANE	MV - Motor Vehicle	Current

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29	CAS3560061029	2006	COMPRESSOR	MV - Motor Vehicle	Current
30	KRTV900A71086108	2009	KUBOTA RTV900	MV - Motor Vehicle	Current
31	KRTV500A91020106	2009	KUBOTA RTV500	MV - Motor Vehicle	Current
32	KRTVV500A91020429	2009	KUBOTA RTV500	MV - Motor Vehicle	Deleted By 11061312191
33	KRTV500A90120027	2009	KUBOTA RTV500	MV - Motor Vehicle	Current
34	KRTV500A91020424	2009	KUBOTA RTV500	MV - Motor Vehicle	Current
35	KRTV500A91020401	2009	KUBOTA RTV500	MV - Motor Vehicle	Current
36	KRTV900A61069180	2006	KUBOTA 9000 (CAB. BOUG)	MV - Motor Vehicle	Current
37	CAT00D5GJRKG02710	2006	CAT D5G LGP	MV - Motor Vehicle	Current
38	BV206511200	1988	HAGGLUND BV06	MV - Motor Vehicle	Current
39	BV206751100	1991	HAGGLUND BV06	MV - Motor Vehicle	Current
40	2DGSS0BT76NV23554	2006	ARGO AVENGER 700	MV - Motor Vehicle	Current
41	2DGL\$0BL77NF15656	2007	ARGO FRONTIER	MV - Motor Vehicle	Current
42	V2000G00000011047	2008	ARGO CENTAUR 950	MV - Motor Vehicle	Current
43	2BP\$GD8AX8V000508	2006	TUNDRA SKI DOO	MV - Motor Vehicle	Current
44	SN1NT3ASX8C359829	2008	POLARIS 340 TRANSPORT	MV - Motor Vehicle	Current
45	SN1NT3AS38C359798	2008	POLARIS 340 TRANSPORT	MV - Motor Vehicle	Current
46	2BPS243463V000157	2003	SKIDOO BOMBARDIER 600	MV - Motor Vehicle	Current
47	JYE8BD0079A044647	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle	Current
48	JYE8BD0039A044645	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle	Current
49	JYE8BD00X9A044688	200 9	YAMAHA BRAVO BR250TY	MV - Motor Vehicle	Current
50	JYE8BD0059A044646	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle	Current
51	260038256	2003	SIGNATURE OFFICE	TR - Trailer	Current
52	2S9PK531X83019919	2008	ROYAL CARGO CAR HAULER	TR - Trailer	Current
53	2X4TSED231N018894	2001	SNOWKING CLOSED T351-159	TR - Trailer	Current
54	5M3BE162771023689	2007	MIRAGE FLAT DECK X744-74	TR - Trailer	Current
55	5PTBF182881010342	2008	SNAKE RIVER FLAT Y311-87	TR - Trailer	Current

	rnment perta 🛚		Personal Property Search Results Search ID#: Z047	Report	Page 7 of 19
56	4P5FS303371101558	2007	PJ GOOSENECK FS303	TR - Trailer	Current
57	5PYAT172681006614	2008	SEMI FLAT DECK X285-41	TR - Trailer	Current
58	2CUL2TJA262020581	2006	FLAT DECK X557-03	TR - Trailer	Current
59	1GDM7H1C5YJ511774	2000	GMC WATER TRUCK	MV - Motor Vehicle	Current
60	4179	2000	BUGGY MT. SEISMIC DRILL	MV - Motor Vehicle	Current
61	236UA16208	2001	BOMBARDIER MUSKEG CRAWLER	MV - Motor Vehicle	Current
62	321910609	2001	BOMBARDIER MUSKEG CRAWLER	MV - Motor Vehicle	Current
63	47BTE25654A400135	2004	HONDA QUAD TRX350 KM4	MV - Motor Vehicle	Current
64	1HFTE353474002272	2007	HONDA QUAD TRX420 FM7	MV ~ Motor Vehicle	Ситтепт
65	1HFTE352974000453	2007	HONDA QUAD TRX420 FM7	MV - Motor Vehicle	Current
66	4XAMH76A36A643603	2006	POLARIS 800 QUAD	MV - Motor Vehicle	Current
67	KRTV500A91020429	2009	KUBOTA RTV500	MV - Motor Vehicle	Current By 11061312191
68	47ZW5363X8X059935	2008	PACE GOOSENECK TRAILER	TR - Trailer	Current By 12110126375
Collate	ral: Ge <u>neral</u>				
Biock	Description				<u>Status</u>
1	DEBTOR OF WHATSOEV PROCEEDS: ALL PRESE	ER NAT NTLY O	ACQUIRED PERSONAL PRO URE AND KIND AND WHERES WNED AND HEREAFTER ACC LATING TO THE FOREGOING	SOEVER SITUATE. QUIRED PERSONAL	Current
2	THE GENERAL COLLATE	RAL INC	CLUDES, WITHOUT LIMITATIO	N, THE FOLLOWING:	Current By 12110126375

5

Personal Property Registry Search Results Report

Search ID#: Z04744559

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ZLAND GEOPHYSICAL SYSTEM CONSISTING OF A 2008 PACE GOOSE-NECK TRAILER, 36 FEET LONG BY 8.5 FEET WIDE BY 11 FEET HIGH, SERIAL NUMBER 47ZW5363X8059935 WITH SEISMIC EQUIPMENT WHICH INCLUDES 7100 RECORDER SPARES WITH SWITCHES, MODULES, PROCESSORS, DISKS, CABLES, POWER SUPPLIES, SWITCHES AND RELATED GOODS; DCCR ZLAND SPARES WITH CABLES, ASSEMBLIES, CONNECTORS, PROBES, CHARGERS, POWER SUPPLIES AND RELATED GOODS; 48 CHANNEL 220 VOLT, ZLAND CHARGER ASSEMBLY WITH BRACES, SPACERS, SUPPORTS, RACKS, CABLES AND RELATED GOODS; FIDO LAPTOP PC COMPUTER WITH SOFTWARE; PRINTER SUPPLIES; ZLAND SPREAD MANAGER SERVER WITH WORKSTATION, SOFTWARE, HARD DRIVES, SPEAKERS AND RELATED GOODS; TRIMBLE WITH HHT CABLE KITS WITH HAND HELD GPS HHT'S; ZLAND TOOL, KIT WITH TOOLS, KNIVES, BLADES, TAPE, MOUNTS, CABLE TIES, MARKERS, TORQUE WRENCHES, SOCKET SETS, MULTIMETERS AND RELATED GOODS; 4 CHANNEL AUXILIARY SIGNAL RECORDER ASSEMBLY WITH UNITS, INPUTS AND RELATED GOODS; 500 LAND NODES; 24 TB RAID SPARES KITS WITH HARD DRIVE, CONTROLLERS, POWER SUPPLIES, CABLES AND RELATED GOODS; ZSYS BASE VME 7100 RACK WITH RECORDING MODULES, GPS, SWITCHES, PANELS, POWER SUPPLIES, CABLES MOUNTS, RACKS, CHASSIS AND RELATED GOODS; LAND SYSTEM PERIPHERALS RECORDER WITH PRINTER AND CABLES; LAND SYSTEM TEST CABLE KITS; Z WORKSTATION SHOCK-MOUNTED ASSEMBLY WITH MONITORS, WORKSTATIONS, CABLES AND RELATED GOODS; ESRI ARCGIS SERVER SOFTWARE; ESRI ARCEDITOR SOFTWARE; CONTAINERS; USB 500 GB HARD DRIVE ASSEMBLY; DELL T7500 SHOCK-MOUNTED ASSEMBLY; 84 ZLAND REMOTE UNITS CARRYING BAGS; RAID DATA STORAGE 20TB UNITS WITH CABLES, PATCHES, VSAT MODEL 9201 SATELLITE PHONE AND ADAPTERS; ALL AS MORE PARTICULARLY DESCRIBED IN AN AGREEMENT DATED JANUARY 18TH, 2012 (REFERENCE INVOICE 400089) BETWEEN THE DEBTOR AND FAIRFIELD NODAL, A DIVISION OF FAIRFIELD INDUSTRIES INC.

Current By 12110126375

4 ALL ATTACHMENTS, ACCESSORIES, PARTS, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, INCREASES, ADDITIONS AND IMPROVEMENTS TO THE FOREGOING AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE OR OTHER DEALINGS WITH THE SAME.

Current By 12110126375

ALL SEISMIC DATA AND DATA SETS OF THE DEBTOR.

Current By 12110126375

As against Devon NEC Corporation, the right, title and interest, if any, of Devon NEC Corporation in and to seismic data transferred or purported to be transferred by Impact 2000 Inc. to Devon NEC Corporation in or around August 2012 pursuant to an agreement between Impact 2000 Inc. and Devon NEC Corporation.

Current By 13061223299

Personal Property Registry Search Results Report

Search ID#: Z04744559

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Business Debtor Search For:

IMPACT 2000 INC.

Search ID #: Z04744559

Date of Search; 2013-Jun-12

Time of Search: 12:23:40

Registration Number: 11061734487

Registration Type: LAND CHARGE

Registration Date: 2011-Jun-17

Registration Status: Current

Registration Term: Infinity

Exact Match on: Debtor

No: 1

Amendments to Registration

13041825544

Amendment

2013-Apr-18

Debtor(s)

Block

IMPACT 2000 INC.

200, 3016 - 5TH AVENUE N.E. CALGARY, AB T2A 6K4

Current

Secured Party / Parties

Block

1

CANADIAN WESTERN BANK

606 - 4TH STREET S.W. CALGARY, AB T2P 1T1

<u>Status</u>

<u>Status</u>

Deleted by 13041825544

<u>Block</u>

TAKODA RESOURCES INC.

2806 Ogden Road S.E. Calgary, AB T2R 4R7

Status

Current by 13041825544

Personal Property Registry Search Results Report

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Search ID#: Z04744559

Business Debtor Search For:

IMPACT 2000 INC.

Search ID #: Z04744559

Date of Search: 2013-Jun-12

Time of Search: 12:23:40

Registration Number: 12052304022

Registration Type: WRIT OF SEIZURE AND SALE (FEDERAL WRIT)

Registration Date: 2012-May-23

Registration Status: Current

Expiry Date: 2014-May-23 23:59:59

Issued in Federal Court Judicial District

Court File Number is ITA-5077-12

Judgment Date is 2012-May-16

This Writ was issued on 2012-May-18

Original Judgment Amount: \$211,545.57

Post Judgment Interest: \$0.00

Costs Are: \$25,75

Current Amount Owing: \$211,061.32

Exact Match on:

Debtor

No: 1

Solicitor / Agent

HER MAJESTY THE QUEEN IN RIGHT OF CANADA ROOM 330, 220 - 4 AVENUE SE CALGARY, AB T2G 0L1

Phone #: 403 691 6908

Fax #: 403 231 4173

Debtor(s)

<u>Block</u>

<u>Status</u>

1

IMPACT 2000 INC. 200, 3016-5 Avenue NE Calgary, AB T2A 6K4

Current

Creditor(s)

<u>Block</u>

<u>Status</u>

1

Personal Property Registry Search Results Report

Search ID#: Z04744559

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HER MAJESTY THE QUEEN IN RIGHT OF CANADA ROOM 330, 220 - 4 AVENUE SE CALGARY, AB T2G 0L1

Phone #: 403 691 6908

Fax #: 403 231 4173

Particulars

<u>Block</u>	Additional Information	<u>Status</u>
1	Her Majesty the Queen in Right of Canada as represented by the Minister of National Revenue	Current

Personal Property Registry Search Results Report

Search ID#: Z04744559

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Business Debtor Search For:

IMPACT 2000 INC.

Search ID #: Z04744559

Date of Search: 2013-Jun-12

Time of Search: 12:23:40

Registration Number: 12101717519

Registration Type: SECURITY AGREEMENT

Registration Date: 2012-Oct-17

Registration Status: Current

Expiry Date: 2017-Oct-17 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

1

IMPACT 2000 INC. 200, 3016 - 5TH AVENUE NE CALGARY, AB T1A 6K4 **Status**

Current

Secured Party / Parties

Block

1

WOLOWICH, MICHAEL SITE 2, BOX 83, RR1 DE WINTON, AB TOL 0X0

<u>Status</u>

Current

<u>Block</u>

2

WOLOWICH, PATRICIA SITE 2, BOX 83, RR1 DE WINTON, AB TOL 0X0

Status Current

Collateral: General

Block Description <u>Status</u>

All present and after-acquired personal property of the Debtor and all proceeds therefrom; and

Personal Property Registry Search Results Report

Search ID#: Z04744559

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2 All Assigns, Transfers, Mortgage and Charges, by way of a fixed and specific Mortgage and Charge, and Accounts, Chattel Paper, Documents of Title, Instruments, Intangibles, Money and Securities including without limitation trade-ins, inventory and equipments, goods, notes now owned or hereafter acquired by or on behalf of the Debtor (and all rights and interest now or hereafter held by or on behalf of the Debtor with respect to any of the foregoing), and also including all proceeds of proceeds and a right to any insurance payment and any other payment that indemnifies or compensates for loss or damage to the collateral or the proceeds of the collateral including but not limited to the following:

Current

- 1. FIELD EQUIPMENT
 - a. 10 HHT, ZLand;
 - b. 5 Auxiliary Signal Recorder, 4 Channel

 - 2. DATE DOWNLOAD EQUIPMENT ZLAND
 a. 6 Data Collection & Charging Rack, Zland, including 30m Fibre Optic Cable, capable of simultaneous harvesting & charging of up to 48 Nodes, Maximum of 5 hours b. 1 Cable Assembly, Fibre-Optic, 100ft (30m) 3. DATA RECORDING STATION - ZLAND

 - a. 1 Data Recorder ZLand Rack Assembly. Includes software to store imported Node seismic data, store imported shot information, monitor Node deployment, display& QC Node raw data, create receiver gather files

 - b. 2 Z Workstation, Shock Mounted, with Dual Monitors
 c. 3 Data Storage, Temporary, RAID 20TB
 d. 1 Server, Spread Manager ZLAND, complete with ESRI ArcEditor v10 software, including 1 year of maintenance
 - e. 1 Docking station, 4 Bay ESATA & USB Interface Used with removable USB Hard Drives to record final output data.
 - 4. SOFTWARE LICENSE AND MAINTENANCE
 - a. 1 License Fee for use of all Software & Firmware developed by FairfieldNodal and installed in the ZLand system.

Maintenance Fee for the FairfieldNodal developed Software & Firmware is included for the first year. Annual Maintenance Fee for the Software & Firmware for subsequent years may be purchased at the then prevailing rate.

- 5. SUPPLEMENTARY ITEMS
- a. 1 Laptop PC with Diagnostic Test Software & Carrying Case
- b. 1 Kit ZLand Test Cablesc. 1 Tool Kit, ZLand
- d. 1 Laser Printer, Color, Recorder
- e. 1 Printer Supplies, Z Recorder f. 1 Spares, DCCR, ZLand g. 1 Spares, RAID, 20TB

- h. 20 Hard Drive Assembly, USB, 500GB, removable Media for final data output
- i. 1 36ft Demo Trailer, Used as Is.

Personal Property Registry Search Results Report

Search ID#: Z04744559

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Business Debtor Search For:

IMPACT 2000 INC.

Search ID #: Z04744559

Date of Search: 2013-Jun-12

Time of Search: 12;23;40

Registration Number: 12101920478

Registration Type: SECURITY AGREEMENT

Registration Date: 2012-Oct-19

Registration Status: Current

Expiry Date: 2017-Oct-19 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

1

IMPACT 2000 INC. #200, 3016 - 5TH AVENUE NE CALGARY, AB T2A 6K4 Status Current

Secured Party / Parties

Block

1

1

PROLIFIC ENERGY SERVICES LTD. #200, 3016 - 5TH AVENUE NE CALGARY, AB T2A 6K4

Status

Current

Collateral: General

Block Description

Status 1 4 1

ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTOR AND ALL PROCEEDS THEREFROM.

Personal Property Registry Search Results Report

Search ID#: Z04744559

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Business Debtor Search For:

IMPACT 2000 INC.

Search ID #: Z04744559

Date of Search: 2013-Jun-12

Time of Search: 12:23:40

Registration Number: 12103038398

Registration Type: WRIT OF ENFORCEMENT

Registration Date: 2012-Oct-30

Registration Status: Current

Expiry Date: 2014-Oct-30 23:59:59

Issued in St. Paul Judicial District

Court File Number is 121400291

Judgment Date is 2012-Oct-30

This Writ was issued on 2012-Oct-30

Type of Judgment is Other

Original Judgment Amount: \$641,374.21

Post Judgment Interest: \$0.00

Costs Are: \$1,459.47

Current Amount Owing: \$642,833,68

Exact Match on:

Debtor

No: 1

Solicitor / Agent

Hall & Revering 5018 50 Avenue Lloydminster, AB T9V 0W7

Phone #: 780 875 9800

Fax #: 780 875 8150

Reference #: 16316MSHt

Debtor(s)

Block

IMPACT 2000 INC. c/o Fleming LLP 900, 926 5 Ave Calgary, AB T2P 2R5

Status

Current

Creditor(s)

Block

Status

Personal Property Registry Search Results Report

Search ID#: Z04744559

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WELCLEAN LAND SERVICES LTD. 2306 52A Ave Lloydminster, AB T9V 2R5

Personal Property Registry Search Results Report

Search ID#: Z04744559

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Business Debtor Search For:

IMPACT 2000 INC.

Search ID #: Z04744559

Date of Search: 2013-Jun-12

Time of Search: 12:23:40

Registration Number: 12111436301

Registration Type: WRIT OF ENFORCEMENT

Registration Date: 2012-Nov-14

Registration Status: Current

Expiry Date: 2014-Nov-14 23:59:59

Issued in Edmonton Judicial District

Court File Number is 1203 14874

Judgment Date is 2011-Nov-06

This Writ was issued on 2012-Nov-14

Type of Judgment is Other

Original Judgment Amount: \$51,760.80

Costs Are: \$1,025.00

Post Judgment Interest: \$95.20

Current Amount Owing: \$52,781.00

Exact Match on:

Debtor

No: 1

Solicitor / Agent

FRASER MILNER CASGRAIN LLP 2900 10180 101 ST EDMONTON, AB T5J3V5

Phone #: 780 423 7100

Fax #: 780 423 7276

Reference #: 542073-4/lbb

Debtor(s)

<u>Block</u>

1

Status

IMPACT 2000 INC. 900-926 5 Ave SW Calgary, AB T2P 0N7 Current

Creditor(s)

<u>Block</u>

<u>Status</u>

1

Personal Property Registry Search Results Report

Search ID#: Z04744559

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HELIX SEISMIC EXPLORATION INC. 51 Bannerman Close Red Deer, AB T4R 0L8

Personal Property Registry Search Results Report

Search ID#; Z04744559

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Note:

The following is a list of matches closely approximating your Search Criteria, which is included for your convenience and protection.

Debtor Name / Address

Reg. #

IMPACT #290, 10420 98 Avenue Fort Saskatchewan, AB T8L 2N6 10062108853

SECURITY AGREEMENT

Debtor Name / Address

Reg.#

IMPACT GROUP 242,5126-126 AVENUE CALGARY, AB T2Z 0H2 12053017737

SECURITY AGREEMENT

Debtor Name / Address

Reg. #

IMPACT GROUP 242,5126-126 AVENUE CALGARY, AB T2Z 0H2

12053017737

SECURITY AGREEMENT

Result Complete

тніз із ехнівіт "	33
to the Affidavit of	_
Lawrence Chua	
Sworn before me this	
Day of June 2013	
_ Sugan a Corbin	
A Commissioner for Oaths/Notary Public	
in and for the Province of Alberta.	
State of Connecticut.	
United States of Ameri	(20)

SUSAN A CORBIN NOTARY PUBLIC CONNECTICUT MY COMMISSION EXPIRES 11-30-2013 COURT FILE NUMBER

25-094321

ESTATE NUMBER

25-094321

APR 1 7 2013

JUDICIAL CENTRE OF CALGARY

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

APPLICANT

IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT, RSC 1985, c B-3, AS AMENDED

AND IN THE MATTER OF THE PROPOSAL OF

IMPACT 2000 INC.

DOCUMENT

SEVENTH REPORT OF ALVAREZ AND MARSAL

CANADA INC.

IN ITS CAPACITY AS TRUSTEE UNDER THE NOTICE OF INTENTION TO MAKE A PROPOSAL

APRIL 17, 2013

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS

DOCUMENT

PROPOSAL TRUSTEE

ALVAREZ & MARSAL CANADA INC.

Bow Valley Square I

Suite 570, 202 – 6th Avenue SW Calgary, Alberta T2P 2R9

Tim Reid / Orest Konowalchuk

Telephone: (403) 538-4756 / (403) 538-4736

Email: treid@alvarezandmarsal.com

okonowalchuk@alvarezandmarsal.com

COUNSEL

NORTON ROSE CANADA LLP

Barristers & Solicitors

Howard Gorman / Kyle Kashuba 400 3rd Avenue SW, Suite 3700 Calgary, Alberta T2P 4H2

Phone: (403) 267-8144 / (403) 267-8399

Fax: (403) 264-5973

Email: howard.gorman@nortonrose.com

kyle.kashuba@nortonrose.com

File#: 01024275-0001

TABLE OF CONTENTS OF THE SEVENTH REPORT OF THE TRUSTEE

INTRODUCTION	,
TERMS OF REFERENCE	
LIMITATION IN SCOPE OF REVIEW	2
IMPACT'S BUSINESS AND FINANCIAL AFFAIRS	5
ONGOING RESTRUCTURING EFFORTS TO DATE	<i>6</i>
APPLICATION TO EXTEND THE TIME TO PREPARE A PROPOSAL	8
RECOMMENDATION	e

INTRODUCTION

- On November 2, 2011, Impact 2000 Inc. ("Impact" or the "Company") sought protection from its creditors through filing a Notice of Intention to Make a Proposal (the "NOP") under section 50.4(1) of the Bankruptcy and Insolvency Act, RSC 1985, c B-3, as amended ("BIA") and a stay of proceedings was obtained on that date (the "Filing Date"). Alvarez & Marsal Canada Inc. (the "Trustee") was named as Trustee under the NOI.
- On November 29, 2012, an order was granted by the Court of Queen's Bench of Alberta (the "Court") to extend the initial stay period ending on December 2, 2012 to January 10, 2013 (the "First Stay Extension Order").
- On January 8, 2013, an order was granted by the Court to extend the stay period granted in the First Stay Extension Order to February 22, 2013 (the "Second Stay Extension Order").
- 4. On February 20, 2013, an order was granted by the Court that further extended the stay period granted in the Second Stay Extension Order to February 28, 2013 (the "Third Stay Extension Order"). On February 28, 2013, the Third Stay Extension Order was extended by the Court to April 8, 2013 (the "Fourth Stay Extension Order").
- On April 8, 2013, the Fourth Stay Extension Order was extended for one day to April 9, 2013 (the "Fifth Stay Extension Order") and then subsequently, an additional extension was further granted on April 9, 2013 to April 18, 2013 (the "Sixth Stay Extension Order").
- 6. The purpose of this seventh report of the Trustee (the "Seventh Report" or "this Report") is to provide this Court and interested parties with an update and information in respect of the following:
 - a) a brief update since the sixth report of the Trustee (the "Sixth Report");

- b) Impact's ongoing restructuring efforts to date;
- c) the Trustee's comments with respect to Impact's application for an extension of time for filing its proposal (the "Proposal") to May 2, 2013; and
- d) the Trustee's recommendations.
- 7. Capitalized terms not defined in this Seventh Report are as defined in the First Stay Extension Order, the Second Stay Extension Order, the Third Stay Extension Order, the Fifth Stay Extension Order, the Sixth Stay Extension Order, the First Report, the Supplemental First Report, the Second Report, the Third Report, the Fourth Report, the Fifth Report and the Sixth Report.
- 8. All references to dollars are in Canadian currency unless otherwise noted.

TERMS OF REFERENCE

9. In preparing this Seventh Report, the Trustee has relied upon unaudited financial information, Impact's records and discussions with various advisors of Impact. The Trustee has not performed an audit, review or other verification of such information. An examination of the financial forecast as outlined in the Canadian Institute of Chartered Accountants Handbook has not been performed. Future oriented financial information relied upon in this report is based on Impact's assumptions regarding future events and actual results achieved will vary from this information and the variations may be material.

LIMITATION IN SCOPE OF REVIEW

The Seventh Report has been prepared by the Trustee pursuant to the rules and regulations as set out in the BIA. The BIA provides that the Trustee shall incur no liability for any act or omission pursuant to its appointment or fulfillment of its duties, save and except for gross negligence or wilful misconduct on its part.

- 11. This Seventh Report is not and should not be construed or interpreted as an endorsement, comment or recommendation to any creditor, prospective investor, or any persons to advance credit and/or goods and services or to continue to provide credit and/or goods and services or to lend monies to Impact during these proceedings and/or at any other such time.
- 12. The Trustee has not audited or reviewed the assets of Impact, and with respect to such assets, the Trustee has relied to a significant degree upon information provided by Impact.
- 13. The Trustee is specifically not directed or empowered to take possession of the assets of the Company or to manage any of the business and affairs of the Company.

IMPACT'S BUSINESS AND FINANCIAL AFFAIRS

Background

14. Background information with respect to Impact's operations and restructuring during the NOI proceedings is included in the First Report, the Supplemental Report, the Second Report, the Third Report, the Fourth Report, the Fifth Report, the Sixth Report and other materials, which has been posted by the Trustee on its website at: www.amcanadadocs.com/impact.

Update on the Sales Process for Redundant Equipment

15. As previously reported, on April 2, 2013, an order was granted approving the sale of the Redundant Equipment (the "Redundant Equipment Order") to Century Services Inc. ("Century") and approving the proposed distribution from the proceeds of this sale. The entirety of the Redundant Equipment Order was appealed by Canadian Western Bank ("CWB"), which led to confusion on whether the sale to Century was complete or could be completed. CWB subsequently agreed to amend their appeal to only appeal the distribution of funds, the sale to Century closed and the Trustee held the proceeds pending

determination of the appeal. The Trustee was advised by counsel to Takoda that the appeal was to be abandoned and has now received the filed Discontinuance of Appeal.

16. As a result, the Trustee has distributed the proceeds from the Century sale in accordance with the Redundant Equipment Order and the cash flow forecast as set out in the Fifth Report.

Cash flow forecasts

17. A cash flow forecast prepared by Impact was included in the Fifth Report and covered the period to May 23, 2013, the outside date to call a creditor meeting to vote on any proposal presented by Impact. Impact has advised that that cash flow forecast remains unchanged and therefore no updated cash flow forecast has been prepared at this time.

ONGOING RESTRUCTURING EFFORTS TO DATE

Update

- 18. On or about April 15, 2013, Impact, M. Wolowich and P. Wolowich as guarantors, CWB and Takoda Resources Inc. ("Takoda"), a company incorporated and capitalized by FC Takoda Holdings, LLC, a wholly owned subsidiary of Full Circle Capital Corporation, an affiliate of Full Circle Funding LP ("FCF"), reached an agreement (the "Assignment Agreement") whereby all loans and other obligations owed by Impact to CWB and all security held by CWB were assigned to Takoda and Impact, M. Wolowich and P. Wolowich released CWB from any and all claims.
- 19. Accordingly, Takoda as the assignee of CWB's secured position is now a creditor in the NOI proceedings and CWB is no longer a creditor of Impact nor an interested party in the NOI proceedings and have requested to be struck from the Service List.

- 20. The Trustee understands that Mrs. Patty Wolowich is a minority shareholder of Takoda and Mr. Mike Wolowich is an officer and employee of Takoda.
- 21. The Trustee understands that Impact, along with its counsel, continues diligently to have meaningful discussions with Full Circle Funding LP and Takoda to enter into a refinancing and/or the potential purchase of Impact's business, assets and/or undertakings to assist Impact in its restructuring.

Refinancing of the Business

- 22. The Trustee has been advised by Impact and Takoda's counsel, that now having acquired CWB's position, Takoda requires further time to assess whether it will provide funding to sponsor a proposal by Impact to its unsecured creditors.
- As part of Takoda's assessment it has advised Impact that it requires appraisals of its assets and Impact has requested the Trustee to assist in obtaining two appraisal of Impact's remaining assets and to solicit auction proposals with respect to Impact's equipment. In order to complete these appraisals and to allow Takoda to complete its due diligence to determine whether it is prepared to sponsor a proposal by Impact to its unsecured creditors, Impact is requesting an extension to the current stay period to May 2, 2013, which is the last day under the 180 day limitation under the BIA.
- 24. Impact has further advised that if Takoda decides to sponsor a proposal by Impact to its unsecured creditors, Impact may make an application to continue its proposal proceedings under the Companies' Creditors Arrangement Act, RSC 1985, c C- 36, as amended ("CCAA") and to apply for a further stay of proceedings under the CCAA to allow reasonable time for Impact to make a proposal to its unsecured creditors.

APPLICATION TO EXTEND THE TIME TO PREPARE A PROPOSAL

- 25. Pursuant to the BIA, Impact's stay of proceedings expires at midnight on April 18, 2013 (the "Stay Period"). The Trustee has been advised that Impact will be seeking an extension of the Stay Period for 14 days as allowed for under s. 50.4(9) of the BIA, which would be until, and including, May 2, 2013 (the "Stay Extension"). The deadline for Impact to file a Proposal to its creditors in these proceedings is May 2, 2013.
- 26. Impact has been acting in good faith and diligently in respect of these proceedings and in the consideration of its options to put forth a viable Proposal to its creditors.
- 27. The Trustee does not believe that any creditor will be materially prejudiced if the Stay Extension is granted.
- 28. Based on the review of Impact's financial information and its discussions with Takoda's counsel to potentially fund a Proposal to Impact's creditors, the Trustee is of the view that Impact may likely be able to make a viable Proposal to its creditors.
- 29. The Stay Extension is be necessary to allow time for Takoda to assess and determine if it will sponsor a plan which would allow Impact to present a viable plan to its creditors.

RECOMMENDATION

30. The Trustee recommends that this Honourable Court approve the Stay Extension.

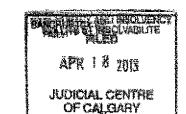
All of which is respectfully submitted this 17th day of April, 2013.

ALVAREZ & MARSAL CANADA INC., in its capacity as Trustee under the Notice of Intention to Make a Proposal of Impact 2000 Inc.

Tim Reid, CA+CIRP Senior Vice-President

Orest Konowalchuk, CA•CIRP Senior Manager

THIS IS EXHIBIT " "
to the Affidavit of
Lawrence Chua
Sworn before me this
Day of June 2013
Susan a Corbin
A Commissioner for Oaths/Notary Public
in and for the Province of Alberta
State of Connecticut,
United States of America
SUSAN A CORBIN
NOTARY PUBLIC
CONNECTICUT
MY COMMISSION EXPIRES 11-30-2013



COURT FILE NUMBER: 25-094321

COURT

COURT OF QUEEN'S BENCH OF ALBERTA IN

BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE

CALGARY

IN THE MATTER OF THE BANKRUPTCY **AND**

INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE

A PROPOSAL OF IMPACT 2000 INC.

APPLICANT:

IMPACT 2000 INC.

DOCUMENT:

ORDER

ADDRESS FOR

SERVICE AND

CONTACT INFORMATION OF

PARTY FILING THIS

DOCUMENT

OSLER, HOSKIN & HARCOURT LLP

Barristers & Solicitors

Suite 2500, 450 - 1st Street S.W.

Calgary, AB T2P 5H1

Solicitor: A. Robert Anderson, Q.C./Peter Bychawski

Telephone: (403) 260-7004/7025 Facsimile: (403) 260-7024

Email: randerson@osler.com/pbychawski@osler.com

File Number: 1139886

DATE ON WHICH ORDER

WAS PRONOUNCED:

April 18, 2013

NAME OF JUDGE

WHO MADE THIS ORDER:

The Honourable Mr. Justice G.C. Hawco

LOCATION OF HEARING:

Calgary, Alberta

UPON the application of Impact 2000 Inc. ("Impact"); AND UPON having read the Affidavit of Michael Wolowich sworn November 24, 2012, the Affidavit of Michael Wolowich sworn on January 8, 2013, the Affidavit of Michael Wolowich sworn February 20, 2013, the confidential Affidavit of Michael Wolowich sworn on February 20, 2013, the Affidavit of Michael Wolowich sworn on March 28, 2013, the Affidavit of Michael Wolowich sworn on April 9, 2013, the

I hereby certify this to be a true copy of the original dated this 🖄 day of HD for Clerk of the Cours

Affidavit of Michael Wolowich sworn on April 17, 2013, the First Report of Alvarez & Marsal Canada Inc., in its capacity as Trustee (the "Proposal Trustee") under the Notice of Intention to Make a Proposal of Impact 2000 Inc. dated November 2, 2012 (the "NOI"), filed November 26, 2012, the Supplemental Report of the Proposal Trustee, filed November 30, 2012, the Second Report of the Proposal Trustee, filed January 8, 2013, the Third Report of the Proposal Trustee, filed, the Fourth Report of the Proposal Trustee, filed on March 28, 2013, the Fifth Report of the Proposal Trustee, filed April 5, 2013, and the Seventh Report of the Proposal Trustee, filed April 17, 2013; AND UPON having reviewed the NOI and the pleadings filed in the within proceedings; AND UPON hearing counsel for Impact; IT IS HEREBY ORDERED AND DECLARED THAT:

- The time for service of Impact's Application (the "Impact Application") is abridged, the
 Impact Application is properly returnable on April 18, 2013, the service of the Impact
 Application is sufficient, and the service on any other persons of notice of the Impact
 Application is dispensed with.
- 2. Impact is hereby granted an extension, pursuant to s. 50.4(9) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended of the time for Impact to file a proposal to on or before May 2, 2013.
- 3. There shall be no costs of the Impact Application.

J.C.Q.B.A.

THIS IS EXHIBIT " M "
to the Affidavit of
Lawrence Chua
Sworn before me this
Day of June, 2013
Susan a Corbin
A Commissioner for Oathe Notary Public
in and for the Province of Alberta
State of Connecticut,
United States of Amedian

SUSAN A CORBIN NOTARY PUBLIC CONNECTICUT MY COMMISSION EXPIRES 11-30-2013



Industry Canada

Industrie Canada

Office of the Superintendent of Bankruptcy Canada

Bureau du surintendant des faillites Canada

District of: ALBERTA

Division No.: 02 - Calgary

Court No.: 25-094321 Estate No.:25-094321

> In the Matter of the Bankruptcy of: Impact 2000 Inc.

> > Debtor

ALVAREZ & MARSAL CANADA INC. Trustee

ORDINARY ADMINISTRATION

Security: \$0

Date of bankruptcy: May 3, 2013

Meeting of Creditors: May 23, 2013, 10:00

Bow Valley Square I

202 - 6th Avenue S.W. Suite 570

Calgary, ALBERTA

Chair: Trustee

Designated person: Mike Wolowich

CERTIFICATE OF ASSIGNMENT - Paragraph 50.4(8)(b.1) of the Act

- I, the undersigned, official receiver in and for this bankruptcy district, do hereby certify, that:
 - ~ a notice of intention in respect of the aforenamed debtor was filed under section 50.4 of the Bankruptcy and Insolvency Act;
 - the debtor has failed to file a cash-flow statement or a proposal within the provided period following the filing of the notice of intention or within any Court-granted extension and is thereupon deemed to have made an assignment.

The said trustee is required:

- to provide to me, without delay, security in the aforementioned amount;
- to send to all creditors, within five days after the date of the trustee's appointment, a notice of the bankruptcy; and
- when applicable, to call in the prescribed manner a first meeting of creditors, to be held at the aforementioned time and place or at any other time and place that may be later requested by the official receiver.

TAMARA HOLLAND

Date: May 3, 2013

Official Receiver

Standard Life Tower, 400, 639-5th Ave., SW, Calgary, ALBERTA, T2P 0M9, 877/376-9902



to the Affidavit of

Lawrence Chua

Swom before me this 137#

Day of June 2013

Accommissioner for Oether Notary Public in and for the Province of Alberta

State of Connecticut,

United States of America

SUSAN A CORBIN NOTARY PUBLIC CONNECTICUT MY COMMISSION EXPIRES 11-30-2013

NOTICE OF PROPOSAL TO RETAIN COLLATERAL

NOTICE BY SECURED PARTY Section 62 of the PERSONAL PROPERTY SECURITY ACT ALBERTA (the "PPSA")

TO: Impact 2000 Inc.

TAKE NOTICE THAT:

- Impact 2000 Inc. (the "Debtor") granted to and in favour of Canadian Western Bank ("CWB") loan and security documents in connection with and evidencing and securing all of the indebtedness, loans and obligations owed by the Debtor to CWB including principal amounts owing, interest and costs, including all legal costs on a solicitor and client full indemnity basis (the "Indebtedness"), including without limitation all facility loan and facility agreements, promissory notes, security and guarantees held by CWB for the repayment of the Indebtedness, including without limitation those documents more particularly described in Schedule "A" attached hereto (collectively, the "Security Agreements").
- 2. Pursuant to an Assignment Agreement dated April 15, 2013, CWB transferred and assigned all of its rights, benefits, obligations, liabilities and indemnities under and in connection with the Security Agreements to Takoda Resources Inc. (the "Secured Party").
- 3. The Security Agreements grants to the Secured Party a security interest in and to the personal property described in Schedule "B" to this notice (collectively, the "Collateral").
- 4. The amount required to satisfy the obligations of the Debtor to the Secured Party is a total amount of Cdn. \$1,352,797.46 as at May 3, 2013, and includes the following:
 - (a) an Administration Charge in the amount of \$165,735.56 for the professional fees and disbursements of Alvarez & Marsal Canada Inc., in its capacity as the Proposal Trustee (the "Proposal Trustee") of the Debtor, Norton Rose Canada (the Proposal Trustee's counsel), and Osler, Hoskin & Harcourt LLP (the Debtor's counsel), pursuant to paragraphs 3, 4 and 5 of the Order granted by the Honourable Mr. Justice A.D. Macleod on November 29, 2012, and which Administration Charge is in priority to the Security Agreements;
 - (b) a priority charge in the amount of \$66,231.56 in relation to Canada Revenue Agency source deductions to be remitted by the Debtor, which amounts are in priority to the Security Agreements;
 - (c) a total amount owing of \$1,120,830.34 pursuant to the Security Agreements, including:
 - (i) an aggregate principal amount of \$1,076,437,22;
 - (ii) interest in the amount of \$5,194.22; and
 - (iii) costs in the amount of \$39,198.90.

- The Secured Party estimates the costs and expenses incurred in exercising its remedies under the Security Agreement to be Cdn. \$35,000,00.
- 6. The sum actually owing, exclusive of the operation of any acceleration clause in the Security Agreements, is a total amount of \$1,352,797.46 which is now due and payable, together with the costs and expenses reasonably estimated to be Cdn. \$35,000.00.
- 7. The following default has caused the Security Agreements to become enforceable:
 - (a) failure by the Debtor to comply with payment obligations to the Secured Party in relation to loans provided to the Debtor from time to time.
- 8. Pursuant to Section 62 of the PPSA, the Secured Party proposes to take the Collateral in satisfaction of the obligations secured by the Security Agreements.
- On payment of the amounts due under paragraphs 4 and 5 of this notice, the Debtor or any other person entitled to receive this notice may redeem the Collateral.
- 10. The Debtor may, on payment of the amounts and sums actually in arrears described in paragraphs 6 of this notice, exclusive of the operation of the acceleration clause in the Security Agreement, and on the curing of the default described in paragraph 7(a), reinstate the Security Agreement,
- Any person entitled to receive this notice may redeem the Collateral by tendering fulfillment of all obligations secured by the Collateral together with payment of the amounts described in paragraphs 4 and 5.
- 12. Unless within 15 days after giving this notice, the Collateral is redeemed, the Security Agreement is reinstated, or a person entitled to receive this notice gives to the Secured Party a written notice of objection, the Secured Party will be deemed to have irrevocably elected to take the Collateral in satisfaction of the obligations secured by Security Agreement, and will be entitled to hold or dispose of the Collateral free from all rights and interest of the debtor and any person entitled to receive a notice.
- 13. You are receiving a copy of this notice either because you are the Debtor or you may have an interest in the Collateral.

DATED at Calgary, Alberta this 2nd day of May, 2013.

Takoda Resources Inc., by its solicitors and agent GOWLING LAFLEUR HENDERSON LLP

Jeffrey L. Øliver

SCHEDULE "A"

The Security Agreements

- 1) Facility Letter from Canadian Western Bank ("CWB") to Impact 2000 Inc. ("Impact") dated February 23rd, 2012;
- Authority to Hold Blank Promissory Note dated May 31st, 2011 executed on behalf of Impact;
- 3) Revolving Credit Agreement dated February 24th, 2012 between CWB and Impact executed on behalf of Impact;
- 4) Fixed Rate Promissory Note dated July 21st, 2011 in favour of CWB in the principal amount of \$700,000 executed on behalf of Impact;
- General Security Agreement dated May 31st, 2011 in favour of CWB re: all present and after-acquired real and personal property and certain specified collateral, executed on behalf of Impact;
- 6) General Assignment of Debts dated May 31st, 2011 in favour of CWB executed on behalf of Impact;
- Assignment and Postponement of Creditor's Claims dated May 31st, 2011, in favour of CWB signed by Michael Wolowich and on behalf of Impact;
- Assignment and Postponement of Creditor's Claims dated May 31st, 2011 in favour of CWB signed by Patty Wolowich and on behalf of Impact;

SCHEDULE "B"

The Collateral

Collateral: Serial	Number Goods
--------------------	--------------

SOMETHING PRODUCT COOKS				
Serial Number	<u>Year</u>	Make and Model	Category	
2GCEK19T821103905	2002	CHEVROLET SILVERADO	MV - Motor Vehicle	
1FTSX21527EA00914	2007	FORD F250	MV - Motor Vehicle	
1FTSX21516EA13068	2006	FORD F250	MV - Motor Vehicle	
1FTSW21546ED90478	2006	FORD F250	MV - Motor Vehicle	
1FTNX21L44ED42839	2004	FORD F250	MV - Motor Vehicle	
1FTSX21575ED04298	2005	FORD F250	MV - Motor Vehicle	
1FTSX21566EA40086	2006	FORD F250	MV - Motor Vehicle	
1FTSX21525EC26478	2005	FORD F250	MV - Motor Vehicle	
1FTSX21547EB03185	2007	FORD F250	MV - Motor Vehicle	
1FTSW21529EA15693	2009	FORD F250 CREW CAB	MV - Motor Vehicle	
1FTWW31555EC26470	2005	FORD F360	MV - Motor Vehicle	
1FTWW31507EB37022	2007	FORD F350	MV - Motor Vehicle	
1FTWW31538EC79320	2008	FORD F350	MV - Motor Vehicle	
1FTWW31509EA17451	2009	FORD F350 CREW CAB	MV - Motor Vehicle	
1FTWW31549EA19171	2009	FORD F350 CREW CAB	MV - Motor Vehicle	
1FTWW31538EC72173	2008	FORD F350 CREW CAB	MV - Motor Vehicle	
1FTWW31578EC72161	2008	FORD F350 CREW CAB	MV - Motor Vehicle	
1FTWW31549EA17470	2009	FORD F350 CREW CAB	MV - Motor Vehicle	
1FTWW31519EA17460	2009	FORD F350 CREW CAB	MV - Motor Vehicle	
1FTWW31568EC72149	2008	FORD F350 CREW CAB	MV - Motor Vehicle	
1FTWW31509EA87435	2009	FORD F350 CREW CAB	MV - Motor Vehicle	
1FTWW31549EA87423	2009	FORD F350 CREW CAB	MV - Motor Vehicle	
1FTSX21559EA15684	2009	FORD F350 CREW CAB	MV - Motor Vehicle	
3FRWF7NX6V356755	2006	F750 2WD SERVICE TRUCK	MV - Motor Vehicle	
5525 S 2061031	2006	CRANE	MV - Motor Vehicle	
CAS3560061009	2006	COMPRESSOR	MV - Motor Vehicle	
3FRWF7N66V356753	2006	F750 2WD SERVICE TRUCK	MV - Motor Vehicle	
5525S2061034	2006	CRANE	MV - Motor Vehicle	
CAS3560061029	2006	COMPRESSOR	MV - Motor Vehicle	

KRTV900A71086108	2009	KUBOTA RTV900	MV - Motor Vehicle
KRTV500A91020106	2009	KUBOTA RTV500	MV - Motor Vehicle
KRTV500A90120027	2009	KUBOTA RTV500	MV - Motor Vehicle
KRTV500A91020424	2009	KUBOTA RTV500	MV - Motor Vehicle
KRTV500A91020401	2009	KUBOTA RTV500	MV - Motor Vehicle
KRTV900A61069180	2006	KUBOTA 9000 (CAB. BOUG)	MV - Motor Vehicle
CAT00D5GJRKG02710	2006	CAT D5G LGP	MV - Motor Vehicle
BV206511200	1988	HAGGLUND BV06	MV - Motor Vehicle
BV206751100	1991	HAGGLUND BV06	MV - Motor Vehicle
2DG\$\$0BT76NV23554	2006	ARGO AVENGER 700	MV - Motor Vehicle
2DGLS0BL77NF15656	2007	ARGO FRONTIER	MV - Motor Vehicle
V2000G00000011047	2008	ARGO CENTAUR 950	MV - Motor Vehicle
2BPSGD8AX8V000508	2006	TUNDRA SKI DOO	MV - Motor Vehicle
SN1NT3ASX8C359829	2008	POLARIS 340 TRANSPORT	MV - Motor Vehicle
SN1NT3AS38C359798	2008	POLARIS 340 TRANSPORT	MV - Motor Vehicle
2BPS243463V000157	2003	SKIDOO BOMBARDIER 600	MV - Motor Vehicle
JYE8BD0079A044647	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
JYE8BD0039A044645	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
JYE8BD00X9A044688	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
JYE8BD0059A044646	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
260038256	2003	SIGNATURE OFFICE	TR - Trailer
2S9PK531X83019919	2008	ROYAL CARGO CAR HAULER	TR - Trailer
2X4TSED231N018894	2001	SNOWKING CLOSED T351-159	TR - Trailer
5M3BE162771023669	2007	MIRAGE FLAT DECK X744-74	TR - Traller
5PTBF182881010342	2008	SNAKE RIVER FLAT Y311-87	TR - Trailer
4P5FS303371101558	2007	PJ GOOSENECK FS303	TR - Trailer
5PYAT172681006614	2008	SEMI FLAT DECK X285-41	TR - Traller
2CUL2TJA262020581	2006	FLAT DECK X557-03	TR - Trailer
1GDM7H1C5YJ511774	2000	GMC WATER TRUCK	MV - Motor Vehicle
4179	2000	BUGGY MT. SEISMIC DRILL	MV - Motor Vehicle
236UA16208	2001	BOMBARDIER MUSKEG CRAWLER	MV - Motor Vehicle
321910609	2001	BOMBARDIER MUSKEG CRAWLER	MV - Motor Vehicle
47BTE25654A400136	2004	HONDA QUAD TRX350 KM4	MV - Motor Vehicle

1HFTE353474002272	2007	HONDA QUAD TRX420 FM7	MV - Motor Vehicle
1HFTE352974000453	2007	HONDA QUAD TRX420 FM7	MV - Motor Vehicle
4XAMH76A36A643603	2006	POLARIS 800 QUAD	MV - Motor Vehicle
KRTV500A91020429	2009	KUBOTA RTV500	MV - Motor Vehicle
47ZW5363X8X059935	2008	PACE GOOSENECK TRAILER	TR - Trailer

Collateral: General

Description

ALL PRESENT AND HEREAFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR OF WHATSOEVER NATURE AND KIND AND WHERESOEVER SITUATE, PROCEEDS: ALL PRESENTLY OWNED AND HEREAFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR RELATING TO THE FOREGOING.

THE GENERAL COLLATERAL INCLUDES, WITHOUT LIMITATION, THE FOLLOWING:

ZLAND GEOPHYSICAL SYSTEM CONSISTING OF A 2008 PACE GOOSE-NECK TRAILER, 36 FEET LONG BY 8.5 FEET WIDE BY 11 FEET HIGH, SERIAL NUMBER 47ZW5363X8X059935 WITH SEISMIC EQUIPMENT WHICH INCLUDES 7100 RECORDER SPARES WITH SWITCHES, MODULES, PROCESSORS, DISKS, CABLES, POWER SUPPLIES, SWITCHES AND RELATED GOODS; DCCR ZLAND SPARES WITH CABLES, ASSEMBLIES, CONNECTORS, PROBES, CHARGERS, POWER SUPPLIES AND RELATED GOODS; 48 CHANNEL 220 VOLT, ZLAND CHARGER ASSEMBLY WITH BRACES, SPACERS, SUPPORTS, RACKS, CABLES AND RELATED GOODS; FIDO LAPTOP PC COMPUTER WITH SOFTWARE; PRINTER SUPPLIES; ZLAND SPREAD MANAGER SERVER WITH WORKSTATION, SOFTWARE, HARD DRIVES, SPEAKERS AND RELATED GOODS; TRIMBLE WITH HHT CABLE KITS WITH HAND HELD GPS HHT'S; ZLAND TOOL KIT WITH TOOLS, KNIVES, BLADES, TAPE, MOUNTS, CABLE TIES, MARKERS, TORQUE WRENCHES, SOCKET SETS, MULTIMETERS AND RELATED GOODS; 4 CHANNEL AUXILIARY SIGNAL RECORDER ASSEMBLY WITH UNITS, INPUTS AND RELATED GOODS; 500 LAND NODES; 24 TB RAID SPARES KITS WITH HARD DRIVE, CONTROLLERS, POWER SUPPLIES, CABLES AND RELATED GOODS; ZSYS BASE VME 7100 RACK WITH RECORDING MODULES, GPS, SWITCHES, PANELS, POWER SUPPLIES, CABLES, MOUNTS, RACKS, CHASSIS AND RELATED GOODS; LAND SYSTEM PERIPHERALS RECORDER WITH PRINTER AND CABLES; LAND SYSTEM TEST CABLE KITS; Z WORKSTATION SHOCK-MOUNTED ASSEMBLY WITH MONITORS, WORKSTATIONS, CABLES AND RELATED GOODS; ESRI ARCGIS SERVER SOFTWARE; ESRI ARCEDITOR SOFTWARE; CONTAINERS; USB 500 GB HARD DRIVE ASSEMBLY; DELL T7500 SHOCK-MOUNTED ASSEMBLY; 84 ZLAND REMOTE UNITS CARRYING BAGS; RAID DATA STORAGE 20TB UNITS WITH CABLES, PATCHES, VSAT MODEL 9201 SATELLITE PHONE AND ADAPTERS; ALL AS MORE PARTICULARLY DESCRIBED IN AN AGREEMENT DATED JANUARY 18TH, 2012 (REFERENCE INVOICE 400089) BETWEEN THE DEBTOR AND FAIRFIELD NODAL, A DIVISION OF FAIRFIELD INDUSTRIES INC.

ALL ATTACHMENTS, ACCESSORIES, PARTS, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, INCREASES, ADDITIONS AND IMPROVEMENTS TO THE FOREGOING AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE OR OTHER DEALINGS WITH THE SAME.

ALL SEISMIC DATA AND DATA SETS OF THE DEBTOR.

AN UNCRYSTALLIZED LAND CHARGE.

NOTICE OF PROPOSAL TO RETAIN COLLATERAL

NOTICE BY SECURED PARTY Section 62 of the PERSONAL PROPERTY SECURITY ACT ALBERTA (the "PPSA")

TO: Alvarez & Marsal Canada Inc., Proposal Trustee and Trustee in Bankruptey of Impact 2000 Inc.

TAKE NOTICE THAT:

- Impact 2000 Inc. (the "Debter") granted to and in favour of Canadian Western Bank ("CWB") loan and security documents in connection with and evidencing and securing all of the indebtedness, loans and obligations owed by the Debtor to CWB including principal amounts owing, interest and costs, including all legal costs on a solicitor and client full indemnity basis (the "Indebtedness"), including without limitation all facility loan and facility agreements, promissory notes, security and guarantees held by CWB for the repayment of the Indebtedness, including without limitation those documents more particularly described in Schedule "A" attached hereto (collectively, the "Security Agreements").
- Pursuant to an Assignment Agreement dated April 15, 2013, CWB transferred and assigned all of
 its rights, benefits, obligations, liabilities and indemnities under and in connection with the
 Security Agreements to Takoda Resources Inc. (the "Secured Party").
- 3. The Security Agreements grants to the Secured Party a security interest in and to the personal property described in Schedule "B" to this notice (collectively, the "Collateral").
- 4. The amount required to satisfy the obligations of the Debtor to the Secured Party is a total amount of Cdn. \$1,352,797.46 as at May 3, 2013, and includes the following:
 - (a) amounts paid pursuant to an Administration Charge in the amount of \$165,735.56 for the professional fees and disbursements of Alvarez & Marsal Canada Inc., in its capacity as the Proposal Trustee (the "Proposal Trustee") of the Debtor, Norton Rose Canada (the Proposal Trustee's counsel), and Osler, Hoskin & Harcourt LLP (the Debtor's counsel), pursuant to paragraphs 3, 4 and 5 of the Order granted by the Honourable Mr. Justice A.D. Macleod on November 29, 2012, and which Administration Charge is in priority to the Security Agreements;
 - (b) amounts paid pursuant to a priority charge in the amount of \$66,231,56 in relation to Canada Revenue Agency source deductions to be remitted by the Debter, which amounts are in priority to the Security Agreements;
 - (c) a total amount owing of \$1,120,830.34 pursuant to the Security Agreements, including:
 - (i) an aggregate principal amount of \$1,076,437.22;
 - (ii) interest in the amount of \$5,194.22; and
 - (iii) costs in the amount of \$39,198,90.

- 5. The Secured Party estimates the costs and expenses incurred in exercising its remedies under the Security Agreement to be Cdn. \$35,000.00.
- 6. The sum actually owing, exclusive of the operation of any acceleration clause in the Security Agreements, is a total amount of \$1,352,797.46 which is now due and payable, together with the costs and expenses reasonably estimated to be Cdn. \$35,000.00.
- 7. The following default has caused the Security Agreements to become enforceable:
 - (a) failure by the Debtor to comply with payment obligations to the Secured Party in relation to loans provided to the Debtor from time to time.
- 8. Pursuant to Section 62 of the PPSA, the Secured Party proposes to take the Collateral in satisfaction of the obligations secured by the Security Agreements.
- 9. On payment of the amounts due under paragraphs 4 and 5 of this notice, the Debtor or any other person entitled to receive this notice may redeem the Collateral.
- 10. The Debtor may, on payment of the amounts and sums actually in arrears described in paragraphs 6 of this notice, exclusive of the operation of the acceleration clause in the Security Agreement, and on the curing of the default described in paragraph 7(a), reinstate the Security Agreement.
- 11. Any person entitled to receive this notice may redeem the Collateral by tendering fulfillment of all obligations secured by the Collateral together with payment of the amounts described in paragraphs 4 and 5.
- 12. Unless within 15 days after giving this notice, the Collateral is redeemed, the Security Agreement is reinstated, or a person entitled to receive this notice gives to the Secured Party a written notice of objection, the Secured Party will be deemed to have irrevocably elected to take the Collateral in satisfaction of the obligations secured by Security Agreement, and will be entitled to hold or dispose of the Collateral free from all rights and interest of the debtor and any person entitled to receive a notice.
- 13. You are receiving a copy of this notice either because you are the Debtor or you may have an interest in the Collateral.

DATED at Calgary, Alberta this 3rd day of May, 2013.

Takoda Resources Inc., by its eqlicitors and agent GOWLING LAELEUR HENDERSON LLP

Jeffrey L. Oliver

SCHEDULE "A"

The Security Agreements

- 1) Facility Letter from Canadian Western Bank ("CWB") to Impact 2000 Inc. ("Impact") dated February 23rd, 2012;
- Authority to Hold Blank Promissory Note dated May 31st, 2011 executed on behalf of Impact;
- 3) Revolving Credit Agreement dated February 24th, 2012 between CWB and Impact executed on behalf of Impact;
- 4) Fixed Rate Promissory Note dated July 21st, 2011 in favour of CWB in the principal amount of \$700,000 executed on behalf of Impact;
- 5) General Security Agreement dated May 31st, 2011 in favour of CWB re: all present and after-acquired real and personal property and certain specified collateral, executed on behalf of Impact;
- General Assignment of Debts dated May 31st, 2011 in favour of CWB executed on behalf of Impact;
- 7) Assignment and Postponement of Creditor's Claims dated May 31st, 2011, in favour of CWB signed by Michael Wolowich and on behalf of Impact;
- Assignment and Postponement of Creditor's Claims dated May 31st, 2011 in favour of CWB signed by Patty Wolowich and on behalf of Impact;

SCHEDULE "B"

The Collateral

Collateral:	Serial Nu	mber Goods

Constersi: Serial Number Goods					
Serial Number	Year	Make and Model	Category		
2GCEK19T821103905	2002	CHEVROLET SILVERADO	MV - Motor Vehicle		
1FTSX21527EA00914	2007	FORD F250	MV - Motor Vehicle		
1FTSX21516EA13068	2006	FORD F250	MV - Motor Vehicle		
1FTSW21546ED90478	2006	FORD F250	MV - Motor Vehicle		
1FTNX21L44ED42839	2004	FORD F250	MV - Mator Vehicle		
1FTSX21575ED04298	2005	FORD F250	MV - Motor Vehicle		
1FTSX21566EA40086	2006	FORD F250	MV - Motor Vehicle		
1FTSX21525EC26478	2005	FORD F250	MV - Motor Vehicle		
1FTSX21547EB03185	2007	FORD F250	MV - Motor Vehicle		
1FTSW21529EA15693	2009	FORD F250 CREW CAB	MV - Motor Vehicle		
1FTWW31655EC26470	2005	FORD F350	MV - Motor Vehicle		
1FTWW31507EB37022	2007	FORD F350	MV - Motor Vehicle		
1FTVVW31538EC79320	2008	FORD F350	MV - Motor Vehicle		
1FTWW31509EA17461	2009	FORD F350 CREW CAB	MV - Motor Vehicle		
1FTWW31549EA19171	2009	FORD F350 CREW CAB	MV - Motor Vehicle		
1FTWW31538EC72173	2008	FORD F350 CREW CAB	MV - Motor Vehicle		
1FTWW31578EC72161	2008	FORD F350 CREW CAB	MV - Motor Vehicle		
1FTWW31549EA17470	2009	FORD F350 CREW CAB	MV - Motor Vehicle		
1FTWW31519EA17460	2009	FORD F350 CREW CAB	MV - Motor Vehicle		
1FTWW31568EC72149	2008	FORD F350 CREW CAB	MV - Motor Vehicle		
1FTVW31509EA87435	2009	FORD F350 CREW CAB	MV - Motor Vehicle		
1FTWW31549EA87423	2009	FORD F350 CREW CAB	MV - Motor Vehicle		
1FT\$X21559EA15684	2009	FORD F350 CREW CAB	MV - Motor Vehicle		
3FRWF7NX6V356755	2006	F750 2WD SERVICE TRUCK	MV - Motor Vehicle		
552582061031	2006	CRANE	MV - Motor Vehicle		
CAS3560061009	2006	COMPRESSOR	MV - Motor Vehicle		
3FRWF7N66V356753	2006	F760 2WD SERVICE TRUCK	MV - Motor Vehicle		
552582061034	2006	CRANE	MV - Motor Vehicle		
CAS3560061029	2006	COMPRESSOR	MV - Motor Vehicle		

KRTV900A71086108	2009	KUBOTA RTV900	MV - Motor Vehicle
KRTV500A91020106	2009	KUBOTA RTV500	MV - Motor Vehicle
KRTV500A90120027	2009	KUBOTA RTV500	MV - Motor Vehicle
KRTV500A91020424	2009	KUBOTA RTV500	MV - Motor Vehicle
KRTV500A91020401	2009	KUBOTA RTV500	MV - Motor Vehicle
KRTV900A61069180	2006	KUBOTA 9000 (CAB. BOUG)	MV - Motor Vehicle
CAT00D5GJRKG02710	2006	CAT D5G LGP	MV - Motor Vehicle
BV206511200	1988	HAGGLUND BV06	MV - Motor Vehicle
BV206751100	1991	HAGGLUND BV06	MV - Motor Vehlale
2DG\$\$0BT76NV23554	2006	ARGO AVENGER 700	MV - Motor Vehicle
2DGLS0BL77NF15656	2007	ARGO FRONTIER	MV - Motor Vehicle
V2000G00000011047	2008	ARGO CENTAUR 950	MV - Motor Vehicle
2BPSGD8AX8V000508	2006	TUNDRA SKI DOO	MV - Motor Vehicle
SN1NT3ASX8C359829	2008	POLARIS 340 TRANSPORT	MV - Motor Vehicle
SN1NT3AS38C359798	2008	POLARIS 340 TRANSPORT	MV - Motor Vehicle
2BPS243463V000157	2003	SKIDOO BOMBARDIER 600	MV - Motor Vehicle
JYE8BD0079A044647	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
JYE8BD0039A044645	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
JYE8BD00X9A044688	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
JYE8BD0059A044646	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
260038256	2003	SIGNATURE OFFICE	TR - Trailer
2S9PK531X83019919	2008	ROYAL CARGO CAR HAULER	TR - Trailer
2X4TSED231N018894	2001	SNOWKING CLOSED T351-159	TR - Traller
5M3BE162771023689	2007	MIRAGE FLAT DECK X744-74	TR - Trailer
5PTBF182881010342	2008	SNAKE RIVER FLAT Y311-87	TR - Trailer
4P5FS303371101558	2007	PJ GOOSENECK FS303	TR - Trailer
5PYAT172681006614	2008	SEMI FLAT DECK X285-41	TR - Trailer
2CUL2TJA262020581	2006	FLAT DECK X557-03	TR - Trailer
1GDM7H1C5YJ511774	2000	GMC WATER TRUCK	MV - Motor Vehicle
4179	2000	BUGGY MT. SEISMIC DRILL	MV - Motor Vehicle
236UA16208	2001	BOMBARDIER MUSKEG CRAWLER	MV - Motor Vehicle
321910609	2001	BOMBARDIER MUSKEG CRAWLER	MV - Motor Vehicle
47BTE25654A400135	2004	HONDA QUAD TRX350 KM4	MV - Motor Vehicle

1HFTE353474002272	2007	HONDA QUAD TRX420 FM7	MV - Motor Vehicle
1HFTE352974000453	2007	HONDA QUAD TRX420 FM7	MV - Motor Vehicle
4XAMH76A36A643603	2006	POLARIS 800 QUAD	MV - Motor Vehicle
KRTV500A91020429	2009	KUBOTA RTV500	MV - Motor Vehicle
47ZW5363X8X059935	2008	PACE GOOSENECK TRAILER	TR - Trailer

Collateral: General

Description

ALL PRESENT AND HEREAFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR OF WHATSOEVER NATURE AND KIND AND WHERESOEVER SITUATE. PROCEEDS: ALL PRESENTLY OWNED AND HEREAFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR RELATING TO THE FOREGOING.

THE GENERAL COLLATERAL INCLUDES, WITHOUT LIMITATION, THE FOLLOWING:

ZLAND GEOPHYSICAL SYSTEM CONSISTING OF A 2008 PACE GOOSE-NECK TRAILER, 36 FEET LONG BY 8.5 FEET WIDE BY 11 FEET HIGH, SERIAL NUMBER 47ZW5363X8X059935 WITH SEISMIC EQUIPMENT WHICH INCLUDES 7100 RECORDER SPARES WITH SWITCHES, MODULES. PROCESSORS, DISKS, CABLES, POWER SUPPLIES, SWITCHES AND RELATED GOODS: DCCR ZLAND SPARES WITH CABLES, ASSEMBLIES, CONNECTORS, PROBES, CHARGERS, POWER SUPPLIES AND RELATED GOODS; 48 CHANNEL 220 VOLT, ZLAND CHARGER ASSEMBLY WITH BRACES, SPACERS, SUPPORTS, RACKS, CABLES AND RELATED GOODS: FIDO LAPTOP PC COMPUTER WITH SOFTWARE, PRINTER SUPPLIES; ZLAND SPREAD MANAGER SERVER WITH WORKSTATION, SOFTWARE, HARD DRIVES, SPEAKERS AND RELATED GOODS; TRIMBLE WITH HHT CABLE KITS WITH HAND HELD GPS HHT'S ZLAND TOOL KIT WITH TOOLS, KNIVES, BLADES TAPE, MOUNTS, CABLE TIES, MARKERS, TORQUE WRENCHES, SOCKET SETS, MULTIMETERS AND RELATED GOODS; 4 CHANNEL AUXILIARY SIGNAL RECORDER ASSEMBLY WITH UNITS, INPUTS AND RELATED GOODS; 500 LAND NODES; 24 TB RAID SPARES KITS WITH HARD DRIVE, CONTROLLERS, POWER SUPPLIES, CABLES AND RELATED GOODS; ZSYS BASE VME 7100 RACK WITH RECORDING MODULES, GPS, SWITCHES, PANELS, POWER SUPPLIES, CABLES, MOUNTS, RACKS, CHASSIS AND RELATED GOODS; LAND SYSTEM PERIPHERALS RECORDER WITH PRINTER AND CABLES; LAND SYSTEM TEST CABLE KITS; Z WORKSTATION SHOCK-MOUNTED ASSEMBLY WITH MONITORS, WORKSTATIONS, CABLES AND RELATED GOODS; ESRI ARCGIS SERVER SOFTWARE; ESRI ARCEDITOR SOFTWARE; CONTAINERS; USB 500 GB HARD DRIVE ASSEMBLY; DELL T7500 SHOCK-MOUNTED ASSEMBLY; 84 ZLAND REMOTE UNITS CARRYING BAGS; RAID DATA STORAGE 20TB UNITS WITH CABLES, PATCHES, VSAT MODEL 9201 SATELLITE PHONE AND ADAPTERS; ALL AS MORE PARTICULARLY DESCRIBED IN AN AGREEMENT DATED JANUARY 18TH, 2012 (REFERENCE INVOICE 400089) BETWEEN THE DEBTOR AND FAIRFIELD NODAL, A DIVISION OF FAIRFIELD INDUSTRIES INC.

ALL ATTACHMENTS, ACCESSORIES, PARTS, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, INCREASES, ADDITIONS AND IMPROVEMENTS TO THE FOREGOING AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE OR OTHER DEALINGS WITH THE SAME.

ALL SEISMIC DATA AND DATA SETS OF THE DEBTOR.

AN UNCRYSTALLIZED LAND CHARGE.

NOTICE OF PROPOSAL TO RETAIN COLLATERAL

NOTICE BY SECURED PARTY Section 62 of the PERSONAL PROPERTY SECURITY ACT ALBERTA (the "PPSA")

TO: Canada Revenue Agency

TAKE NOTICE THAT:

- Impact 2000 Inc. (the "Debtor") granted to and in favour of Canadian Western Bank ("CWB") loan and security documents in connection with and evidencing and securing all of the indebtedness, loans and obligations owed by the Debtor to CWB including principal amounts owing, interest and costs, including all legal costs on a solicitor and client full indemnity basis (the "Indebtedness"), including without limitation all facility loan and facility agreements, promissory notes, security and guarantees held by CWB for the repayment of the Indebtedness, including without limitation those documents more particularly described in Schedule "A" attached hereto (collectively, the "Security Agreements").
- Pursuant to an Assignment Agreement dated April 15, 2013, CWB transferred and assigned all of
 its rights, benefits, obligations, liabilities and indemnities under and in connection with the
 Security Agreements to Takoda Resources Inc. (the "Secured Party").
- 3. The Security Agreements grants to the Secured Party a security interest in and to the personal property described in Schedule "B" to this notice (collectively, the "Collateral").
- 4. The amount required to satisfy the obligations of the Debtor to the Secured Party is a total amount of Cdn. \$1,352,797.46 as at May 3, 2013, and includes the following:
 - (a) amounts paid pursuant to an Administration Charge in the amount of \$165,735.56 for the professional fees and disbursements of Alvarez & Marsal Canada Inc., in its capacity as the Proposal Trustee (the "Proposal Trustee") of the Debtor, Norton Rose Canada (the Proposal Trustee's counsel), and Osler, Hoskin & Harcourt LLP (the Debtor's counsel), pursuant to paragraphs 3, 4 and 5 of the Order granted by the Honourable Mr. Justice A.D. Macleod on November 29, 2012, and which Administration Charge is in priority to the Security Agreements;
 - (b) amounts paid pursuant to a priority charge in the amount of \$66,231.56 in relation to Canada Revenue Agency source deductions to be remitted by the Debtor, which amounts are in priority to the Security Agreements;
 - (c) a total amount owing of \$1,120,830.34 pursuant to the Security Agreements, including:
 - (i) an aggregate principal amount of \$1,076,437.22;
 - (ii) interest in the amount of \$5,194,22; and
 - (iii) costs in the amount of \$39,198,90.

- 5. The Secured Party estimates the costs and expenses incurred in exercising its remedies under the Security Agreement to be Cdn. \$35,000.00.
- 6. The sum actually owing, exclusive of the operation of any acceleration clause in the Security Agreements, is a total amount of \$1,352,797.46 which is now due and payable, together with the costs and expenses reasonably estimated to be Cdn. \$35,000.00.
- 7. The following default has caused the Security Agreements to become enforceable:
 - (a) failure by the Debtor to comply with payment obligations to the Secured Party in relation to loans provided to the Debtor from time to time.
- 8. Pursuant to Section 62 of the PPSA, the Secured Party proposes to take the Collateral in satisfaction of the obligations secured by the Security Agreements.
- 9. On payment of the amounts due under paragraphs 4 and 5 of this notice, the Debtor or any other person entitled to receive this notice may redeem the Collateral.
- 10. The Debtor may, on payment of the amounts and sums actually in arrears described in paragraphs 6 of this notice, exclusive of the operation of the acceleration clause in the Security Agreement, and on the curing of the default described in paragraph 7(a), reinstate the Security Agreement.
- 11. Any person entitled to receive this notice may redeem the Collateral by tendering fulfillment of all obligations secured by the Collateral together with payment of the amounts described in paragraphs 4 and 5.
- Unless within 15 days after giving this notice, the Collateral is redeemed, the Security Agreement is reinstated, or a person entitled to receive this notice gives to the Secured Party a written notice of objection, the Secured Party will be deemed to have irrevocably elected to take the Collateral in satisfaction of the obligations secured by Security Agreement, and will be entitled to hold or dispose of the Collateral free from all rights and interest of the debtor and any person entitled to receive a notice.
- 13. You are receiving a copy of this notice either because you are the Debtor or you may have an interest in the Collateral.

DATED at Calgary, Alberta this 3rd day of May, 2013.

Takoda Resources Inc., by its solicitors and agent GOWLING LAFLEUR HENDERSON LLP

Jeffrey L/Olive

SCHEDULE "A"

The Security Agreements

- 1) Facility Letter from Canadian Western Bank ("CWB") to Impact 2000 Inc. ("Impact") dated February 23rd, 2012;
- Authority to Hold Blank Promissory Note dated May 31st, 2011 executed on behalf of Impact;
- Revolving Credit Agreement dated February 24th, 2012 between CWB and Impact executed on behalf of Impact;
- 4) Fixed Rate Promissory Note dated July 21st, 2011 in favour of CWB in the principal amount of \$700,000 executed on behalf of Impact;
- 5) General Security Agreement dated May 31st, 2011 in favour of CWB re: all present and after-acquired real and personal property and certain specified collateral, executed on behalf of Impact;
- General Assignment of Debts dated May 31st, 2011 in favour of CWB executed on behalf of Impact;
- Assignment and Postponement of Creditor's Claims dated May 31st, 2011, infavour of CWB signed by Michael Wolowich and on behalf of Impact;
- 8) Assignment and Postponement of Creditor's Claims dated May 31st, 2011 in favour of CWB signed by Patty Wolowich and on behalf of Impact;

SCHEDULE "B"

The Collateral

Collateral:	Serial	Number	r Goods

Serial Number	<u>Year</u>	Make and Model	Category
2GCEK19T821103905	2002	CHEVROLET SILVERADO	MV - Motor Vehicle
1FTSX21527EA00914	2007	FORD F250	MV - Motor Vehicle
1FTSX21516EA13068	2006	FORD F250	MV - Motor Vehicle
1FTSW21546ED90478	2006	FORD F250	MV - Motor Vehicle
1FTNX21L44ED42839	2004	FORD F250	MV - Motor Vehicle
1FTSX21575ED04298	2005	FORD F250	MV - Motor Vehicle
1FTSX21566EA40086	2006	FORD F250	MV - Motor Vehicle
1FTSX21525EC26478	2005	FORD F250	MV - Motor Vehicle
1FTSX21547EB03185	2007	FORD F250	MV - Motor Vehicle
1FTSW21529EA15693	2009	FORD F250 CREW CAB	MV - Motor Vehicle
1FTWW31555EC26470	2005	FORD F350	MV - Motor Vehicle
1FTWW31507EB37022	2007	FORD F350	MV - Motor Vehicle
1FTWW31538EC79320	2008	FORD F350	MV - Motor Vehicle
1FTWW31509EA17451	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31549EA19171	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31538EC72173	2008	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31578EC72161	2008	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31549EA17470	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31519EA17460	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31568EC72149	2008	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31509EA87435	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31549EA87423	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTSX21559EA15684	2009	FORD F350 CREW CAB	MV - Motor Vehicle
3FRWF7NX6V356755	2006	F750 2WD SERVICE TRUCK	MV - Motor Vehicle
552582061031	2006	CRANE	MV - Motor Vehicle
CAS3560061009	2006	COMPRESSOR	MV - Motor Vehicle
3FRWF7N66V356753	2006	F750 2WD SERVICE TRUCK	MV - Motor Vehicle
5525\$2061034	2006	CRANE	MV - Motor Vehicle
CAS3560061029	2006	COMPRESSOR	MV - Motor Vehicle

KRTV900A71086108	2009	KUBOTA RTV900	MV - Motor Vehicle
KRTV500A91020106	2009	KUBOTA RTV500	MV - Motor Vehicle
KRTV500A90120027	2009	KUBOTA RTV500	MV - Motor Vehicle
KRTV500A91020424	2009	KUBOTA RTV500	MV - Motor Vehicle
KRTV500A91020401	2009	KUBOTA RTV500	MV - Motor Vehiçle
KRTV900A61069180	2006	KUBOTA 9000 (CAB. BOUG)	MV - Motor Vehicle
CAT00D5GJRKG02710	2006	CAT D5G LGP	MV - Motor Vehicle
BV206511200	1988	HAGGLUND BV06	MV - Motor Vehicle
BV206751100	[99]	HAGGLUND BV06	MV - Motor Vehicle
2DG\$\$0BT76NV23564	2006	ARGO AVENGER 700	MV - Motor Vehicle
2DGLS0BL77NF15656	2007	ARGO FRONTIER	MV - Motor Vehicle
V2000G00000011047	2008	ARGO CENTAUR 950	MV - Motor Vehicle
2BPSGD8AX8V000508	2006	TUNDRA SKI DOO	MV - Motor Vehicle
SN1NT3ASX8C369829	2008	POLARIS 340 TRANSPORT	MV - Motor Vehicle
SN1NT3AS38C359798	2008	POLARIS 340 TRANSPORT	MV - Motor Vehicle
2BPS243463V000157	2003	SKIDOO BOMBARDIER 600	MV - Motor Vehicle
JYE8BD0079A044647	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
JYE8BD0039A044645	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
JYE8BD00X9A044688	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
JYE8BD0059A044646	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
260038256	2003	SIGNATURE OFFICE	TR - Traller
2S9PK531X83019919	2008	ROYAL CARGO CAR HAULER	TR - Traller
2X4TSED231N018894	2001	SNOWKING CLOSED T351-159	TR - Trailer
5M3BE162771023689	2007	MIRAGE FLAT DECK X744-74	TR - Trailer
5PTBF182881010342	2008	SNAKE RIVER FLAT Y311-87	TR - Trailer
4P5FS303371101558	2007	PJ GOOSENECK FS303	TR - Trailer
5PYAT172681006614	2008	SEMI FLAT DECK X285-41	TR - Traller
2CUL2TJA262020581	2006	FLAT DECK X557-03	TR - Trailer
1GDM7H1C5YJ511774	2000	GMC WATER TRUCK	MV - Motor Vehicle
4179	2000	BUGGY MT. SEISMIC DRILL	MV - Motor Vehicle
236UA16208	2001	SOMBARDIER MUSKEG CRAWLER	MV - Motor Vehicle
321910609	2001	BOMBARDIER MUSKEG CRAWLER	MV - Motor Vehicle
47BTE25654A400135	2004	HONDA QUAD TRX350 KM4	MV - Motor Vehicle

1HFTE353474002272	2007	HONDA QUAD TRX420 FM7	MV - Motor Vehicle
1HFTE352974000453	2007	HONDA QUAD TRX420 FM7	MV - Motor Vehicle
4XAMH76A36A643603	2006	POLARIS 800 QUAD	MV - Motor Vehicle
KRTV500A91020429	2009	KUBOTA RTV500	MV - Motor Vehicle
47ZW5363X8X059935	2008	PACE GOOSENECK TRAILER	TR - Trailer

Collateral: General

Description

ALL PRESENT AND HEREAFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR OF WHATSOEVER NATURE AND KIND AND WHERESOEVER SITUATE, PROCEEDS: ALL PRESENTLY OWNED AND HEREAFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR RELATING TO THE FOREGOING.

THE GENERAL COLLATERAL INCLUDES, WITHOUT LIMITATION, THE FOLLOWING:

ZLAND GEOPHYSICAL SYSTEM CONSISTING OF A 2008 PACE GOOSE-NECK TRAILER, 36 FEET LONG BY 8.5 FEET WIDE BY 11 FEET HIGH, SERIAL NUMBER 47ZW5363X8X069935 WITH SEISMIC EQUIPMENT WHICH INCLUDES 7100 RECORDER SPARES WITH SWITCHES, MODULES, PROCESSORS, DISKS, CABLES, POWER SUPPLIES, SWITCHES AND RELATED GOODS; DCCR ZLAND SPARES WITH CABLES, ASSEMBLIES, CONNECTORS, PROBES, CHARGERS, POWER SUPPLIES AND RELATED GOODS; 48 CHANNEL 220 VOLT, ZLAND CHARGER ASSEMBLY WITH BRACES, SPACERS, SUPPORTS, RACKS, CABLES AND RELATED GOODS; FIDO LAPTOP PC COMPUTER WITH SOFTWARE; PRINTER SUPPLIES; ZLAND SPREAD MANAGER SERVER WITH WORKSTATION, SOFTWARE, HARD DRIVES, SPEAKERS AND RELATED GOODS: TRIMBLE WITH HHT CABLE KITS WITH HAND HELD GPS HHT'S; ZLAND TOOL KIT WITH TOOLS, KNIVES, BLADES, TAPE, MOUNTS, CABLE TIES, MARKERS, TORQUE WRENCHES, SOCKET SETS, MULTIMETERS AND RELATED GOODS; 4 CHANNEL AUXILIARY SIGNAL RECORDER ASSEMBLY WITH UNITS. INPUTS AND RELATED GOODS; 500 LAND NODES; 24 TB RAID SPARES KITS WITH HARD DRIVE, CONTROLLERS, POWER SUPPLIES, CABLES AND RELATED GOODS; ZSYS BASE VME 7100 RACK WITH RECORDING MODULES, GPS, SWITCHES, PANELS, POWER SUPPLIES, CABLES, MOUNTS, RACKS, CHASSIS AND RELATED GOODS; LAND SYSTEM PERIPHERALS RECORDER WITH PRINTER AND CABLES; LAND SYSTEM TEST CABLE KITS; Z WORKSTATION SHOCK-MOUNTED ASSEMBLY WITH MONITORS, WORKSTATIONS, CABLES AND RELATED GOODS; ESRI ARCGIS SERVER SOFTWARE; ESRI ARCEDITOR SOFTWARE; CONTAINERS; USB 500 GB HARD DRIVE ASSEMBLY; DELL T7500 SHOCK-MOUNTED ASSEMBLY; 84 ZLAND REMOTE UNITS CARRYING BAGS; RAID DATA STORAGE 20TB UNITS WITH CABLES, PATCHES, VSAT MODEL 9201 SATELLITE PHONE AND ADAPTERS; ALL AS MORE PARTICULARLY DESCRIBED IN AN AGREEMENT DATED JANUARY 18TH, 2012 (REFERENCE INVOICE 400089) BETWEEN THE DEBTOR AND FAIRFIELD NODAL, A DIVISION OF FAIRFIELD INDUSTRIES INC.

ALL ATTACHMENTS, ACCESSORIES, PARTS, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, INCREASES, ADDITIONS AND IMPROVEMENTS TO THE FOREGOING AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE OR OTHER DEALINGS WITH THE SAME.

ALL SEISMIC DATA AND DATA SETS OF THE DEBTOR.

AN UNCRYSTALLIZED LAND CHARGE.

NOTICE OF PROPOSAL TO RETAIN COLLATERAL

NOTICE BY SECURED PARTY Section 62 of the PERSONAL PROPERTY SECURITY ACT ALBERTA (the "PPSA")

TO: Helix Seismic Exploration Inc.

TAKE NOTICE THAT:

- Impact 2000 Inc. (the "Debtor") granted to and in favour of Canadian Western Bank ("CWB") loan and security documents in connection with and evidencing and securing all of the indebtedness, loans and obligations owed by the Debtor to CWB including principal amounts owing, interest and costs, including all legal costs on a solicitor and client full indemnity basis (the "Indebtedness"), including without limitation all facility loan and facility agreements, promissory notes, security and guarantees held by CWB for the repayment of the Indebtedness, including without limitation those documents more particularly described in Schedule "A" attached hereto (collectively, the "Security Agreements").
- 2. Pursuant to an Assignment Agreement dated April 15, 2013, CWB transferred and assigned all of its rights, benefits, obligations, liabilities and indemnities under and in connection with the Security Agreements to Takoda Resources Inc. (the "Secured Party").
- 3. The Security Agreements grants to the Secured Party a security interest in and to the personal property described in Schedule "B" to this notice (collectively, the "Collateral").
- 4. The amount required to satisfy the obligations of the Debtor to the Secured Party is a total amount of Cdn. \$1,352,797.46 as at May 3, 2013, and includes the following:
 - (a) amounts paid pursuant to an Administration Charge in the amount of \$165,735.56 for the professional fees and disbursements of Alvarez & Marsal Canada Inc., in its capacity as the Proposal Trustee (the "Proposal Trustee") of the Debtor, Norton Rose Canada (the Proposal Trustee's counsel), and Osler, Hoskin & Harcourt LLP (the Debtor's counsel), pursuant to paragraphs 3, 4 and 5 of the Order granted by the Honourable Mr. Justice A.D. Macleod on November 29, 2012, and which Administration Charge is in priority to the Security Agreements;
 - (b) amounts paid pursuant to a priority charge in the amount of \$66,231.56 in relation to Canada Revenue Agency source deductions to be remitted by the Debtor, which amounts are in priority to the Security Agreements;
 - (c) a total amount owing of \$1,120,830.34 pursuant to the Security Agreements, including:
 - (i) an aggregate principal amount of \$1,076,437.22;
 - (ii) interest in the amount of \$5,194.22; and
 - (iii) costs in the amount of \$39,198.90.

- 5. The Secured Party estimates the costs and expenses incurred in exercising its remedies under the Security Agreement to be Cdn. \$35,000.00.
- 6. The sum actually owing, exclusive of the operation of any acceleration clause in the Security Agreements, is a total amount of \$1,352,797.46 which is now due and payable, together with the costs and expenses reasonably estimated to be Cdn. \$35,000.00.
- 7. The following default has caused the Security Agreements to become enforceable:
 - (a) failure by the Debtor to comply with payment obligations to the Secured Party in relation to loans provided to the Debtor from time to time.
- 8. Pursuant to Section 62 of the PPSA, the Secured Party proposes to take the Collateral in satisfaction of the obligations secured by the Security Agreements.
- 9. On payment of the amounts due under paragraphs 4 and 5 of this notice, the Debtor or any other person entitled to receive this notice may redeem the Collateral.
- 10. The Debtor may, on payment of the amounts and sums actually in arrears described in paragraphs 6 of this notice, exclusive of the operation of the acceleration clause in the Security Agreement, and on the curing of the default described in paragraph 7(a), reinstate the Security Agreement.
- 11. Any person entitled to receive this notice may redeem the Collateral by tendering fulfillment of all obligations secured by the Collateral together with payment of the amounts described in paragraphs 4 and 5.
- 12. Unless within 15 days after giving this notice, the Collateral is redeemed, the Security Agreement is reinstated, or a person entitled to receive this notice gives to the Secured Party a written notice of objection, the Secured Party will be deemed to have irrevocably elected to take the Collateral in satisfaction of the obligations secured by Security Agreement, and will be entitled to hold or dispose of the Collateral free from all rights and interest of the debtor and any person entitled to receive a notice.
- 13. You are receiving a copy of this notice either because you are the Debtor or you may have an interest in the Collateral.

DATED at Calgary, Alberta this 3rd day of May, 2013.

Takoda Resources Inc., by its solicitors and agent GOWLING AFLEUR HENDERSON LLP

Jeffrey L./Oliver

SCHEDULE "A"

The Security Agreements

- Facility Letter from Canadian Western Bank ("CWB") to Impact 2000 Inc. ("Impact") dated February 23rd, 2012;
- Authority to Hold Blank Promissory Note dated May 31st, 2011 executed on behalf of Impact;
- Revolving Credit Agreement dated February 24th, 2012 between CWB and Impact executed on behalf of Impact;
- 4) Fixed Rate Promissory Note dated July 21st, 2011 in favour of CWB in the principal amount of \$700,000 executed on behalf of Impact;
- 5) General Security Agreement dated May 31st, 2011 in favour of CWB re: all present and after-acquired real and personal property and certain specified collateral, executed on behalf of Impact;
- General Assignment of Debts dated May 31st, 2011 in favour of CWB executed on behalf of Impact;
- 7) Assignment and Postponement of Creditor's Claims dated May 31st, 2011, in favour of CWB signed by Michael Wolowich and on behalf of Impact;
- 8) Assignment and Postponement of Creditor's Claims dated May 31st, 2011 in favour of CWB signed by Patty Wolowich and on behalf of Impact;

SCHEDULE "B"

The Collateral

Collateral:	Serial	Numb	er G	Sood	S

Serial Number	Year	Make and Model	Category
2GCEK19T821103905	2002	CHEVROLET SILVERADO	MV - Motor Vehicle
1FTSX21527EA00914	2007	FORD F250	MV - Motor Vehicle
1FTSX21516EA13068	2006	FORD F250	MV - Motor Vehicle
1FTSW21546ED90478	2006	FORD F250	MV - Motor Vehicle
1FTNX21L44ED42839	2004	FORD F250	MV - Motor Vehicle
1FTSX21575ED04298	2005	FORD F250	MV - Motor Vehicle
1FTSX21566EA40086	2006	FORD F250	MV - Motor Vehicle
1FTSX21525EC26478	2005	FORD F250	MV - Motor Vehicle
1FTSX21547EB03185	2007	FORD F250	MV - Motor Vehicle
1FTSW21529EA15693	2009	FORD F250 CREW CAB	MV - Motor Vehicle
1FTWW31555EC26470	2005	FORD F350	MV - Motor Vehicle
1FTWW31507EB37022	2007	FORD F350	MV - Motor Vehicle
1FTWW31538EC79320	2008	FORD F350	MV - Motor Vehicle
1FTWW31509EA17451	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31549EA19171	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31538EC72173	2008	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31578EC72161	2008	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31549EA17470	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31519EA17460	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31568EC72149	2008	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31509EA87435	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31549EA87423	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTSX21559EA15684	2009	FORD F350 CREW CAB	MV - Motor Vehicle
3FRWF7NX6V356755	2006	F750 2WD SERVICE TRUCK	MV - Motor Vehicle
5525S2061031	2006	CRANE	MV - Motor Vehicle
CAS3560061009	2006	COMPRESSOR	MV - Motor Vehicle
3FRWF7N66V356753	2006	F750 2WD SERVICE TRUCK	MV - Motor Vehicle
5525S2061034	2006	CRANE	MV - Motor Vehicle
CAS3560061029	2006	COMPRESSOR	MV - Motor Vehicle

KRTV900A71086108	2009	KUBOTA RTV900	MV - Motor Vehicle
KRTV500A91020106	2009	KUBOTA RTV500	MV - Motor Vehicle
KRTV500A90120027	2009	KUBOTA RTV500	MV - Motor Vehicle
KRTV500A91020424	2009	KUBOTA RTV500	MV - Motor Vehicle
KRTV500A91020401	2009	KUBOTA RTV500	MV - Motor Vehicle
KRTV900A61069180	2006	KUBOTA 9000 (CAB, BOUG)	MV - Motor Vehicle
CAT00D5GJRKG02710	2006	CAT D5G LGP	MV - Motor Vehicle
BV206511200	1988	HAGGLUND BV06	MV - Motor Vehicle
BV206751100	1991	HAGGLUND BV06	MV - Motor Vehicle
2DGSS0BT76NV23554	2006	ARGO AVENGER 700	MV - Motor Vehicle
2DGLS0BL77NF15656	2007	ARGO FRONTIER	MV - Motor Vehicle
V2000G00000011047	2008	ARGO CENTAUR 950	MV - Motor Vehicle
2BPSGD8AX8V000508	2006	TUNDRA SKI DOO	MV - Motor Vehicle
SN1NT3ASX8C359829	2008	POLARIS 340 TRANSPORT	MV - Motor Vehicle
SN1NT3AS38C359798	2008	POLARIS 340 TRANSPORT	MV - Motor Vehicle
2BPS243463V000157	2003	SKIDOO BOMBARDIER 600	MV - Motor Vehicle
JYE8BD0079A044647	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
JYE8BD0039A044645	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
JYE8BD00X9A044688	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
JYE8BD0D59A044646	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
260038256	2003	SIGNATURE OFFICE	TR - Trailer
2S9PK531X83019919	2008	ROYAL CARGO CAR HAULER	TR - Trailer
2X4TSED231N018894	2001	SNOWKING CLOSED T351-159	TR - Trailer
5M3BE162771023689	2007	MIRAGE FLAT DECK X744-74	TR - Trailer
5PTBF182881010342	2008	SNAKE RIVER FLAT Y311-87	TR - Trailer
4P5F\$303371101558	2007	PJ GOOSENECK FS303	TR - Trailer
5PYAT172681006614	2008	SEM! FLAT DECK X285-41	TR - Trailer
2CUL2TJA262020581	2006	FLAT DECK X557-03	TR - Trailer
1GDM7H1C5YJ511774	2000	GMC WATER TRUCK .	MV - Motor Vehicle
4179	2000	BUGGY MT. SEISMIC DRILL	MV - Motor Vehicle
236UA16208	2001	BOMBARDIER MUSKEG CRAWLER	MV - Motor Vehicle
321910609	2001	BOMBARDIER MUSKEG CRAWLER	MV - Motor Vehiçle
47BTE25654A400135	2004	HONDA QUAD TRX350 KM4	MV - Motor Vehicle

1HFTE353474002272	2007	HONDA QUAD TRX420 FM7	MV - Motor Vehicle
1HFTE352974000453	2007	HONDA QUAD TRX420 FM7	MV - Motor Vehicle
4XAMH76A36A643603	2006	POLARIS 800 QUAD	MV - Motor Vehicle
KRTV500A91020429	2009	KUBOTA RTV500	MV - Motor Vehicle
47ZW5363X8X059935	2008	PACE GOOSENECK TRAILER	TR - Trailer

Collateral: General

Description

ALL PRESENT AND HEREAFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR OF WHATSOEVER NATURE AND KIND AND WHERESOEVER SITUATE. PROCEEDS: ALL PRESENTLY OWNED AND HEREAFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR RELATING TO THE FOREGOING.

THE GENERAL COLLATERAL INCLUDES, WITHOUT LIMITATION, THE FOLLOWING:

ZLAND GEOPHYSICAL SYSTEM CONSISTING OF A 2008 PACE GOOSE-NECK TRAILER, 36 FEET LONG BY 8.5 FEET WIDE BY 11 FEET HIGH, SERIAL NUMBER 47ZW5363X8X059935 WITH SEISMIC EQUIPMENT WHICH INCLUDES 7100 RECORDER SPARES WITH SWITCHES, MODULES, PROCESSORS, DISKS, CABLES, POWER SUPPLIES, SWITCHES AND RELATED GOODS: DCCR ZLAND SPARES WITH CABLES, ASSEMBLIES, CONNECTORS, PROBES, CHARGERS, POWER SUPPLIES AND RELATED GOODS; 48 CHANNEL 220 VOLT, ZLAND CHARGER ASSEMBLY WITH BRACES, SPACERS, SUPPORTS, RACKS, CABLES AND RELATED GOODS; FIDO LAPTOP PC COMPUTER WITH SOFTWARE: PRINTER SUPPLIES; ZLAND SPREAD MANAGER SERVER WITH WORKSTATION, SOFTWARE, HARD DRIVES, SPEAKERS AND RELATED GOODS; TRIMBLE WITH HHT CABLE KITS WITH HAND HELD GPS HHT'S; ZLAND TOOL KIT WITH TOOLS, KNIVES, BLADES. TAPE, MOUNTS, CABLE TIES, MARKERS, TORQUE WRENCHES, SOCKET SETS, MULTIMETERS AND RELATED GOODS; 4 CHANNEL AUXILIARY SIGNAL RECORDER ASSEMBLY WITH UNITS, INPUTS AND RELATED GOODS; 500 LAND NODES; 24 TB RAID SPARES KITS WITH HARD DRIVE, CONTROLLERS, POWER SUPPLIES, CABLES AND RELATED GOODS; ZSYS BASE VME 7100 RACK WITH RECORDING MODULES, GPS, SWITCHES, PANELS, POWER SUPPLIES, CABLES, MOUNTS, RACKS, CHASSIS AND RELATED GOODS; LAND SYSTEM PERIPHERALS RECORDER WITH PRINTER AND CABLES; LAND SYSTEM TEST CABLE KITS; Z WORKSTATION SHOCK-MOUNTED ASSEMBLY WITH MONITORS, WORKSTATIONS, CABLES AND RELATED GOODS; ESRI ARCGIS SERVER SOFTWARE; ESRI ARCEDITOR SOFTWARE; CONTAINERS; USB 500 GB HARD DRIVE ASSEMBLY; DELL T7500 SHOCK-MOUNTED ASSEMBLY; 84 ZLAND REMOTE UNITS CARRYING BAGS; RAID DATA STORAGE 20TB UNITS WITH CABLES, PATCHES, VSAT MODEL 9201 SATELLITE PHONE AND ADAPTERS; ALL AS MORE PARTICULARLY DESCRIBED IN AN AGREEMENT DATED JANUARY 18TH, 2012 (REFERENCE INVOICE 400089) BETWEEN THE DEBTOR AND FAIRFIELD NODAL, A DIVISION OF FAIRFIELD INDUSTRIES INC.

ALL ATTACHMENTS, ACCESSORIES, PARTS, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, INCREASES, ADDITIONS AND IMPROVEMENTS TO THE FOREGOING AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE OR OTHER DEALINGS WITH THE SAME.

ALL SEISMIC DATA AND DATA SETS OF THE DEBTOR.

AN UNCRYSTALLIZED LAND CHARGE.

NOTICE OF PROPOSAL TO RETAIN COLLATERAL

NOTICE BY SECURED PARTY Section 62 of the PERSONAL PROPERTY SECURITY ACT ALBERTA (the "PPSA")

TO: Welclean Land Services Ltd.

TAKE NOTICE THAT:

- Impact 2000 Inc. (the "Debtor") granted to and in favour of Canadian Western Bank ("CWB") loan and security documents in connection with and evidencing and securing all of the indebtedness, loans and obligations owed by the Debtor to CWB including principal amounts owing, interest and costs, including all legal costs on a solicitor and client full indemnity basis (the "Indebtedness"), including without limitation all facility loan and facility agreements, promissory notes, security and guarantees held by CWB for the repayment of the Indebtedness, including without limitation those documents more particularly described in Schedule "A" attached hereto (collectively, the "Security Agreements").
- Pursuant to an Assignment Agreement dated April 15, 2013, CWB transferred and assigned all of
 its rights, benefits, obligations, liabilities and indemnities under and in connection with the
 Security Agreements to Takoda Resources Inc. (the "Secured Party").
- 3. The Security Agreements grants to the Secured Party a security interest in and to the personal property described in Schedule "B" to this notice (collectively, the "Collateral").
- 4. The amount required to satisfy the obligations of the Debtor to the Secured Party is a total amount of Cdn, \$1,352,797.46 as at May 3, 2013, and includes the following:
 - (a) amounts paid pursuant to an Administration Charge in the amount of \$165,735.56 for the professional fees and disbursements of Alvarez & Marsal Canada Inc., in its capacity as the Proposal Trustee (the "Proposal Trustee") of the Debtor, Norton Rose Canada (the Proposal Trustee's counsel), and Osler, Hoskin & Harcourt LLP (the Debtor's counsel), pursuant to paragraphs 3, 4 and 5 of the Order granted by the Honourable Mr. Justice A.D. Macleod on November 29, 2012, and which Administration Charge is in priority to the Security Agreements;
 - (b) amounts paid pursuant to a priority charge in the amount of \$66,231.56 in relation to Canada Revenue Agency source deductions to be remitted by the Debtor, which amounts are in priority to the Security Agreements;
 - (c) a total amount owing of \$1,120,830.34 pursuant to the Security Agreements, including:
 - (i) an aggregate principal amount of \$1,076,437.22;
 - (ii) interest in the amount of \$5,194.22; and
 - (iii) costs in the amount of \$39,198.90.

- 5. The Secured Party estimates the costs and expenses incurred in exercising its remedies under the Security Agreement to be Cdn. \$35,000.00.
- 6. The sum actually owing, exclusive of the operation of any acceleration clause in the Security Agreements, is a total amount of \$1,352,797.46 which is now due and payable, together with the costs and expenses reasonably estimated to be Cdn. \$35,000.00.
- 7. The following default has caused the Security Agreements to become enforceable:
 - (a) failure by the Debtor to comply with payment obligations to the Secured Party in relation to loans provided to the Debtor from time to time.
- 8. Pursuant to Section 62 of the PPSA, the Secured Party proposes to take the Collateral in satisfaction of the obligations secured by the Security Agreements.
- 9. On payment of the amounts due under paragraphs 4 and 5 of this notice, the Debtor or any other person entitled to receive this notice may redeem the Collateral.
- 10. The Debtor may, on payment of the amounts and sums actually in arrears described in paragraphs 6 of this notice, exclusive of the operation of the acceleration clause in the Security Agreement, and on the curing of the default described in paragraph 7(a), reinstate the Security Agreement.
- 11. Any person entitled to receive this notice may redeem the Collateral by tendering fulfillment of all obligations secured by the Collateral together with payment of the amounts described in paragraphs 4 and 5.
- 12. Unless within 15 days after giving this notice, the Collateral is redeemed, the Security Agreement is reinstated, or a person entitled to receive this notice gives to the Secured Party a written notice of objection, the Secured Party will be deemed to have irrevocably elected to take the Collateral in satisfaction of the obligations secured by Security Agreement, and will be entitled to hold or dispose of the Collateral free from all rights and interest of the debtor and any person entitled to receive a notice.
- 13. You are receiving a copy of this notice either because you are the Debtor or you may have an interest in the Collateral,

DATED at Calgary, Alberta this 3rd day of May, 2013.

Takoda Resources Inc., by its solicitors and agent GOWLING LAFLEUR HENDERSON LLP

Jeffrey L. Oliver

SCHEDULE "A"

The Security Agreements

- 1) Facility Letter from Canadian Western Bank ("CWB") to Impact 2000 Inc. ("Impact") dated February 23rd, 2012;
- Authority to Hold Blank Promissory Note dated May 31st, 2011 executed on behalf of Impact;
- 3) Revolving Credit Agreement dated February 24th, 2012 between CWB and Impact executed on behalf of Impact;
- 4) Fixed Rate Promissory Note dated July 21st, 2011 in favour of CWB in the principal amount of \$700,000 executed on behalf of Impact;
- 5) General Security Agreement dated May 31st, 2011 in favour of CWB re: all present and after-acquired real and personal property and certain specified collateral, executed on behalf of Impact;
- General Assignment of Debts dated May 31st, 2011 in favour of CWB executed on behalf of Impact;
- Assignment and Postponement of Creditor's Claims dated May 31st, 2011, in favour of CWB signed by Michael Wolowich and on behalf of Impact;
- 8) Assignment and Postponement of Creditor's Claims dated May 31st, 2011 in favour of CWB signed by Patty Wolowich and on behalf of Impact;

SCHEDULE "B"

The Collateral

Consterar, Serial Rum	ver Grougs		
Serial Number	Year	Make and Model	Category
2GCEK19T821103905	2002	CHEVROLET SILVERADO	MV - Motor Vehicle
1FTSX21527EA00914	2007	FORD F250	MV - Motor Vehicle
1FTSX21516EA13068	2006	FORD F250	MV - Motor Vehicle
1FTSW21546ED90478	2006	FORD F250	MV - Motor Vehicle
1FTNX21L44ED42839	2004	FORD F250	MV - Motor Vehicle
1FTSX21575ED04298	2005	FORD F250	MV - Motor Vehicle
1FTSX21566EA40086	2006	FORD F250	MV - Motor Vehicle
1FTSX21525EC26478	2005	FORD F250	MV - Motor Vehicle
1FTSX21547EB03185	2007	FORD F250	MV - Motor Vehicle
1FTSW21529EA15693	2009	FORD F250 CREW CAB	MV - Motor Vehicle
1FTWW31555EC26470	2005	FORD F350	MV - Motor Vehicle
1FTWW31507EB37022	2007	FORD F350	MV - Motor Vehicle
1FTVWV31538EC79320	2008	FORD F350	MV - Motor Vehicle
1FTWW31509EA17451	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31549EA19171	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31538EC72173	2008	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31578EC72161	2008	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31549EA17470	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31519EA17460	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31568EC72149	2008	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31509EA87435	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31549EA87423	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTSX21559EA15684	2009	FORD F350 CREW CAB	MV - Motor Vehicle
3FRWF7NX6V356755	2006	F750 2WD SERVICE TRUCK	MV - Motor Vehicle
5525S2061031	2006	CRANE	MV - Motor Vehicle
CAS3560061009	2006	COMPRESSOR	MV - Motor Vehicle
3FRWF7N66V356753	2006	F750 2WD SERVICE TRUCK	MV - Motor Vehicle
5525S2061034	2006	CRANE	MV - Motor Vehicle
CAS3560061029	2006	COMPRESSOR	MV - Motor Vehicle

KRTV900A71086108	2009	KUBOTA RTV900	MV - Motor Vehicle
KRTV500A91020106	2009	KUBOTA RTV500	MV - Motor Vehicle
KRTV500A90120027	2009	KUBOTA RTV500	MV - Motor Vehiçle
KRTV500A91020424	2009	KUBOTA RTV500	MV - Motor Vehicle
KRTV500A91020401	2009	KUBOTA RTV500	MV - Motor Vehicle
KRTV900A61069180	2006	KUBOTA 9000 (CAB. BOUG)	MV - Motor Vehicle
CAT00D5GJRKG02710	2006	CAT D5G LGP	MV - Motor Vehicle
BV206511200	1988	HAGGLUND BV06	MV - Motor Vehicle
BV206751100	1991	HAGGLUND BV06	MV - Motor Vehicle
2DGSS0BT76NV23554	2006	ARGO AVENGER 700	MV - Motor Vehicle
2DGLS0BL77NF15656	2007	ARGO FRONTIER	MV - Motor Vehicle
V2000G00000011047	2008	ARGO CENTAUR 950	MV - Motor Vehicle
2BPSGD8AX8V000508	2006	TUNDRA SKI DOO	MV - Motor Vehicle
SN1NT3ASX8C359829	2008	POLARIS 340 TRANSPORT	MV - Motor Vehicle
SN1NT3AS38C359798	2008	POLARIS 340 TRANSPORT	MV - Motor Vehicle
2BP\$243463V000157	2003	SKIDOO BOMBARDIER 600	MV - Motor Vehicle
JYE8BD0079A044647	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
JYE8BD0039A044645	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
JYE8BD00X9A044688	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
JYE8BD0059A044646	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
260038256	2003	SIGNATURE OFFICE	TR - Trailer
2S9PK531X83019919	2008	ROYAL CARGO CAR HAULER	TR - Trailer
2X4TSED231N018894	2001	SNOWKING CLOSED T351-159	TR - Trailer
5M3BE162771023689	2007	MIRAGE FLAT DECK X744-74	TR - Trailer
5PTBF182881010342	2008	SNAKE RIVER FLAT Y311-87	TR - Trailer
4P5FS303371101558	2007	PJ GOOSENECK FS303	TR - Trailer
5PYAT172681006614	2008	SEMI FLAT DECK X285-41	TR - Trailer
2CUL2TJA262020581	2006	FLAT DECK X557-03	TR - Trailer
1GDM7H1C5YJ511774	2000	GMC WATER TRUCK	MV - Motor Vehicle
4179	2000	BUGGY MT. SEISMIC DRILL	MV - Motor Vehicle
236UA16208	2001	BOMBARDIER MUSKEG CRAWLER	MV - Motor Vehicle
321910609	2001	BOMBARDIER MUSKEG CRAWLER	MV - Motor Vehicle
47BTE25654A400135	2004	HONDA QUAD TRX350 KM4	MV - Motor Vehicle

1HFTE353474002272	2007	HONDA QUAD TRX420 FM7	MV - Motor Vehicle
1HFTE352974000453	2007	HONDA QUAD TRX420 FM7	MV - Motor Vehicle
4XAMH76A36A643603	2006	POLARIS 800 QUAD	MV - Motor Vehicle
KRTV500A91020429	2009	KUBOTA RTV500	MV - Motor Vehicle
47ZW5363X8X059935	2008	PACE GOOSENECK TRAILER	TR - Trailer

Collateral: General

Description

ALL PRESENT AND HEREAFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR OF WHATSOEVER NATURE AND KIND AND WHERESOEVER SITUATE. PROCEEDS: ALL PRESENTLY OWNED AND HEREAFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR RELATING TO THE FOREGOING.

THE GENERAL COLLATERAL INCLUDES, WITHOUT LIMITATION, THE FOLLOWING:

ZLAND GEOPHYSICAL SYSTEM CONSISTING OF A 2008 PACE GOOSE-NECK TRAILER, 36 FEET LONG BY 8.5 FEET WIDE BY 11 FEET HIGH, SERIAL NUMBER 47ZW5363X8X059935 WITH SEISMIC EQUIPMENT WHICH INCLUDES 7100 RECORDER SPARES WITH SWITCHES, MODULES, PROCESSORS, DISKS, CABLES, POWER SUPPLIES, SWITCHES AND RELATED GOODS; DCCR ZLAND SPARES WITH CABLES, ASSEMBLIES, CONNECTORS, PROBES, CHARGERS, POWER SUPPLIES AND RELATED GOODS; 48 CHANNEL 220 VOLT, ZLAND CHARGER ASSEMBLY WITH BRACES, SPACERS, SUPPORTS, RACKS, CABLES AND RELATED GOODS; FIDO LAPTOP PC COMPUTER WITH SOFTWARE; PRINTER SUPPLIES; ZLAND SPREAD MANAGER SERVER WITH WORKSTATION, SOFTWARE, HARD DRIVES, SPEAKERS AND RELATED GOODS; TRIMBLE WITH HHT CABLE KITS WITH HAND HELD GPS HHT'S; ZLAND TOOL KIT WITH TOOLS, KNIVES, BLADES, TAPE, MOUNTS, CABLE TIES, MARKERS, TORQUE WRENCHES, SOCKET SETS, MULTIMETERS AND RELATED GOODS; 4 CHANNEL AUXILIARY SIGNAL RECORDER ASSEMBLY WITH UNITS. INPUTS AND RELATED GOODS; 500 LAND NODES; 24 TB RAID SPARES KITS WITH HARD DRIVE. CONTROLLERS, POWER SUPPLIES, CABLES AND RELATED GOODS; ZSYS BASE VME 7100 RACK WITH RECORDING MODULES, GPS, SWITCHES, PANELS, POWER SUPPLIES, CABLES. MOUNTS, RACKS, CHASSIS AND RELATED GOODS; LAND SYSTEM PERIPHERALS RECORDER WITH PRINTER AND CABLES; LAND SYSTEM TEST CABLE KITS; Z WORKSTATION SHOCK-MOUNTED ASSEMBLY WITH MONITORS, WORKSTATIONS, CABLES AND RELATED GOODS; ESRI ARCGIS SERVER SOFTWARE; ESRI ARCEDITOR SOFTWARE; CONTAINERS; USB 500 GB HARD DRIVE ASSEMBLY; DELL T7500 SHOCK-MOUNTED ASSEMBLY; 84 ZLAND REMOTE UNITS CARRYING BAGS; RAID DATA STORAGE 20TB UNITS WITH CABLES, PATCHES, VSAT MODEL 9201 SATELLITE PHONE AND ADAPTERS; ALL AS MORE PARTICULARLY DESCRIBED IN AN AGREEMENT DATED JANUARY 18TH, 2012 (REFERENCE INVOICE 400089) BETWEEN THE DEBTOR AND FAIRFIELD NODAL, A DIVISION OF FAIRFIELD INDUSTRIES INC.

ALL ATTACHMENTS, ACCESSORIES, PARTS, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, INCREASES, ADDITIONS AND IMPROVEMENTS TO THE FOREGOING AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE OR OTHER DEALINGS WITH THE SAME.

ALL SEISMIC DATA AND DATA SETS OF THE DEBTOR.

AN UNCRYSTALLIZED LAND CHARGE.

NOTICE OF PROPOSAL TO RETAIN COLLATERAL

NOTICE BY SECURED PARTY Section 62 of the PERSONAL PROPERTY SECURITY ACT ALBERTA (the "PPSA")

TO: Prolific Energy Services Ltd.

TAKE NOTICE THAT:

- 1. Impact 2000 Inc. (the "Debtor") granted to and in favour of Canadian Western Bank ("CWB") loan and security documents in connection with and evidencing and securing all of the indebtedness, loans and obligations owed by the Debtor to CWB including principal amounts owing, interest and costs, including all legal costs on a solicitor and client full indemnity basis (the "Indebtedness"), including without limitation all facility loan and facility agreements, promissory notes, security and guarantees held by CWB for the repayment of the Indebtedness, including without limitation those documents more particularly described in Schedule "A" attached hereto (collectively, the "Security Agreements").
- 2. Pursuant to an Assignment Agreement dated April 15, 2013, CWB transferred and assigned all of its rights, benefits, obligations, liabilities and indemnities under and in connection with the Security Agreements to Takoda Resources Inc. (the "Secured Party").
- 3. The Security Agreements grants to the Secured Party a security interest in and to the personal property described in Schedule "B" to this notice (collectively, the "Collateral").
- 4. The amount required to satisfy the obligations of the Debtor to the Secured Party is a total amount of Cdn. \$1,352,797.46 as at May 3, 2013, and includes the following:
 - (a) amounts paid pursuant to an Administration Charge in the amount of \$165,735.56 for the professional fees and disbursements of Alvarez & Marsal Canada Inc., in its capacity as the Proposal Trustee (the "Proposal Trustee") of the Debtor, Norton Rose Canada (the Proposal Trustee's counsel), and Osler, Hoskin & Harcourt LLP (the Debtor's counsel), pursuant to paragraphs 3, 4 and 5 of the Order granted by the Honourable Mr. Justice A.D. Macleod on November 29, 2012, and which Administration Charge is in priority to the Security Agreements;
 - (b) amounts paid pursuant to a priority charge in the amount of \$66,231.56 in relation to Canada Revenue Agency source deductions to be remitted by the Debtor, which amounts are in priority to the Security Agreements;
 - (c) a total amount owing of \$1,120,830.34 pursuant to the Security Agreements, including:
 - (i) an aggregate principal amount of \$1,076,437,22;
 - (ii) interest in the amount of \$5,194.22; and
 - (iii) costs in the amount of \$39,198.90.

- 5. The Secured Party estimates the costs and expenses incurred in exercising its remedies under the Security Agreement to be Cdn. \$35,000.00.
- 6. The sum actually owing, exclusive of the operation of any acceleration clause in the Security Agreements, is a total amount of \$1,352,797.46 which is now due and payable, together with the costs and expenses reasonably estimated to be Cdn, \$35,000.00.
- 7. The following default has caused the Security Agreements to become enforceable:
 - (a) failure by the Debtor to comply with payment obligations to the Secured Party in relation to loans provided to the Debtor from time to time.
- 8. Pursuant to Section 62 of the PPSA, the Secured Party proposes to take the Collateral in satisfaction of the obligations secured by the Security Agreements.
- 9. On payment of the amounts due under paragraphs 4 and 5 of this notice, the Debtor or any other person entitled to receive this notice may redeem the Collateral.
- 10. The Debtor may, on payment of the amounts and sums actually in arrears described in paragraphs 6 of this notice, exclusive of the operation of the acceleration clause in the Security Agreement, and on the curing of the default described in paragraph 7(a), reinstate the Security Agreement.
- 11. Any person entitled to receive this notice may redeem the Collateral by tendering fulfillment of all obligations secured by the Collateral together with payment of the amounts described in paragraphs 4 and 5.
- 12. Unless within 15 days after giving this notice, the Collateral is redeemed, the Security Agreement is reinstated, or a person entitled to receive this notice gives to the Secured Party a written notice of objection, the Secured Party will be deemed to have irrevocably elected to take the Collateral in satisfaction of the obligations secured by Security Agreement, and will be entitled to hold or dispose of the Collateral free from all rights and interest of the debtor and any person entitled to receive a notice.
- 13. You are receiving a copy of this notice either because you are the Debtor or you may have an interest in the Collateral.

DATED at Calgary, Alberta this 3rd day of May, 2013.

Fakoda Resources Inc., by its solicitors and agen SOWLING LAFLEUR HENDERSON LLP	ıt
30 WEING EAT EBOK DENDERBON EEP	
leffrey L. Oliver	

SCHEDULE "A"

The Security Agreements

- 1) Facility Letter from Canadian Western Bank ("CWB") to Impact 2000 Inc. ("Impact") dated February 23rd, 2012;
- Authority to Hold Blank Promissory Note dated May 31st, 2011 executed on behalf of Impact;
- 3) Revolving Credit Agreement dated February 24th, 2012 between CWB and Impact executed on behalf of Impact;
- 4) Fixed Rate Promissory Note dated July 21st, 2011 in favour of CWB in the principal amount of \$700,000 executed on behalf of Impact;
- 5) General Security Agreement dated May 31st, 2011 in favour of CWB re: all present and after-acquired real and personal property and certain specified collateral, executed on behalf of Impact;
- General Assignment of Debts dated May 31st, 2011 in favour of CWB executed on behalf of Impact;
- 7) Assignment and Postponement of Creditor's Claims dated May 31st, 2011, in favour of CWB signed by Michael Wolowich and on behalf of Impact;
- 8) Assignment and Postponement of Creditor's Claims dated May 31st, 2011 in favour of CWB signed by Patty Wolowich and on behalf of Impact;

SCHEDULE "B"

The Collateral

Collateral: Serial Number Goods

COMMITTION CONTRACT (MINE)	or croods		
Serial Number	<u>Year</u>	Make and Model	Category
2GCEK19T821103905	2002	CHEVROLET SILVERADO	MV - Motor Vehicle
1FTSX21527EA00914	2007	FORD F250	MV - Motor Vehicle
1FTSX21516EA13068	2006	FORD F250	MV - Motor Vehicle
1FTSW21546ED90478	2006	FORD F250	MV - Motor Vehicle
1FTNX21L44ED42839	2004	FORD F250	MV - Motor Vehicle
1FTSX21575ED04298	2005	FORD F250	MV - Motor Vehicle
1FTSX21566EA40086	2006	FORD F250	MV - Motor Vehicle
1FTSX21525EC26478	2005	FORD F250	MV - Motor Vehicle
1FTSX21547EB03185	2007	FORD F250	MV - Motor Vehicle
1FTSW21529EA15693	2009	FORD F250 CREW CAB	MV - Motor Vehicle
1FTWW31555EC26470	2005	FORD F350	MV - Motor Vehicle
1FTWW31507EB37022	2007	FORD F350	MV - Motor Vehicle
1FTWW31538EC79320	2008	FORD F350	MV - Motor Vehicle
1FTWW31509EA17451	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31549EA19171	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31538EC72173	2008	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31578EC72161	2008	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31549EA17470	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31519EA17460	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31568EC72149	2008	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31509EA87435	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTWW31549EA87423	2009	FORD F350 CREW CAB	MV - Motor Vehicle
1FTSX21559EA15684	2009	FORD F350 CREW CAB	MV - Motor Vehicle
3FRWF7NX6V356755	2006	F750 2WD SERVICE TRUCK	MV - Motor Vehicle
5525S2061031	2006	CRANE	MV - Motor Vehicle
CAS3560061009	2006	COMPRESSOR	MV - Motor Vehicle
3FRWF7N66V356753	2006	F750 2WD SERVICE TRUCK	MV - Motor Vehicle
552582061034	2006	CRANE	MV - Motor Vehicle
CAS3560061029	2006	COMPRESSOR	MV - Motor Vehicle

KRTV900A71086108	2009	KUBOTA RTV900	MV - Motor Vehicle
KRTV500A91020106	2009	KUBOTA RTV500	MV - Motor Vehicle
KRTV500A90120027	2009	KUBOTA RTV500	MV - Motor Vehicle
KRTV500A91020424	2009	KUBOTA RTV500	MV - Motor Vehicle
KRTV500A91020401	2009	KUBOTA RTV500	MV - Motor Vehicle
KRTV900A61069180	2006	KUBOTA 9000 (CAB. BOUG)	MV - Motor Vehicle
CAT00D5GJRKG02710	2006	CAT D5G LGP	MV - Motor Vehicle
BV206511200	1988	HAGGLUND BV06	MV - Motor Vehicle
BV206751100	1991	HAGGLUND BV06	MV - Motor Vehicle
2DGSS0BT76NV23554	2006	ARGO AVENGER 700	MV - Motor Vehicle
2DGLS0BL77NF15656	2007	ARGO FRONTIER	MV - Motor Vehicle
V2000G00000011047	2008	ARGO CENTAUR 950	MV - Motor Vehicle
2BPSGD8AX8V000508	2006	TUNDRA SKI DOO	MV - Motor Vehicle
SN1NT3ASX8C359829	2008	POLARIS 340 TRANSPORT	MV - Motor Vehicle
SN1NT3AS38C359798	2008	POLARIS 340 TRANSPORT	MV - Motor Vehicle
2BPS243463V000157	2003	SKIDOO BOMBARDIER 600	MV - Motor Vehicle
JYE8BD0079A044647	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
JYE8BD0039A044645	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
JYE8BD00X9A044688	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
JYE8BD0059A044646	2009	YAMAHA BRAVO BR250TY	MV - Motor Vehicle
260038256	2003	SIGNATURE OFFICE	TR - Trailer
2\$9PK531X830199 1 9	2008	ROYAL CARGO CAR HAULER	TR - Trailer
2X4TSED231N018894	2001	SNOWKING CLOSED T351-159	TR - Trailer
5M3BE162771023689	2007	MIRAGE FLAT DECK X744-74	TR - Trailer
5PTBF182881010342	2008	SNAKE RIVER FLAT Y311-87	TR - Trailer
4P5FS303371101558	2007	PJ GOOSENECK FS303	TR - Trailer
5PYAT172681006614	2008	SEMI FLAT DECK X285-41	TR - Trailer
2CUL2TJA262020581	2006	FLAT DECK X557-03	TR - Trailer
1GDM7H1C5YJ511774	2000	GMC WATER TRUCK	MV - Motor Vehicle
4179	2000	BUGGY MT. SEISMIC DRILL	MV - Motor Vehicle
236UA16208	2001	BOMBARDIER MUSKEG CRAWLER	MV - Motor Vehicle
321910609	2001	BOMBARDIER MUSKEG CRAWLER	MV - Motor Vehicle
47BTE25654A400135	2004	HONDA QUAD TRX350 KM4	MV - Motor Vehicle

1HFTE353474002272	2007	HONDA QUAD TRX420 FM7	MV - Motor Vehicle
1HFTE352974000453	2007	HONDA QUAD TRX420 FM7	MV - Motor Vehicle
4XAMH76A36A643603	2006	POLARIS 800 QUAD	MV - Motor Vehicle
KRTV500A91020429	2009	KUBOTA RTV600	MV - Motor Vehicle
47ZW5363X8X059935	2008	PACE GOOSENECK TRAILER	TR - Trailer

Collateral: General

Description

ALL PRESENT AND HEREAFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR OF WHATSOEVER NATURE AND KIND AND WHERESOEVER SITUATE. PROCEEDS: ALL PRESENTLY OWNED AND HEREAFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR RELATING TO THE FOREGOING.

THE GENERAL COLLATERAL INCLUDES, WITHOUT LIMITATION, THE FOLLOWING:

ZLAND GEOPHYSICAL SYSTEM CONSISTING OF A 2008 PACE GOOSE-NECK TRAILER, 36 FEET LONG BY 8.5 FEET WIDE BY 11 FEET HIGH, SERIAL NUMBER 47ZW5363X8X059935 WITH SEISMIC EQUIPMENT WHICH INCLUDES 7100 RECORDER SPARES WITH SWITCHES, MODULES, PROCESSORS, DISKS, CABLES, POWER SUPPLIES, SWITCHES AND RELATED GOODS; DCCR ZLAND SPARES WITH CABLES, ASSEMBLIES, CONNECTORS, PROBES, CHARGERS, POWER SUPPLIES AND RELATED GOODS; 48 CHANNEL 220 VOLT, ZLAND CHARGER ASSEMBLY WITH BRACES, SPACERS, SUPPORTS, RACKS, CABLES AND RELATED GOODS; FIDO LAPTOP PC COMPUTER WITH SOFTWARE; PRINTER SUPPLIES; ZLAND SPREAD MANAGER SERVER WITH WORKSTATION, SOFTWARE, HARD DRIVES, SPEAKERS AND RELATED GOODS; TRIMBLE WITH HHT CABLE KITS WITH HAND HELD GPS HHT'S; ZLAND TOOL KIT WITH TOOLS, KNIVES, BLADES. TAPE, MOUNTS, CABLE TIES, MARKERS, TORQUE WRENCHES, SOCKET SETS, MULTIMETERS AND RELATED GOODS; 4 CHANNEL AUXILIARY SIGNAL RECORDER ASSEMBLY WITH UNITS, INPUTS AND RELATED GOODS; 500 LAND NODES; 24 TB RAID SPARES KITS WITH HARD DRIVE, CONTROLLERS, POWER SUPPLIES, CABLES AND RELATED GOODS; ZSYS BASE VME 7100 RACK WITH RECORDING MODULES, GPS, SWITCHES, PANELS, POWER SUPPLIES, CABLES, MOUNTS, RACKS, CHASSIS AND RELATED GOODS; LAND SYSTEM PERIPHERALS RECORDER WITH PRINTER AND CABLES; LAND SYSTEM TEST CABLE KITS; Z WORKSTATION SHOCK-MOUNTED ASSEMBLY WITH MONITORS, WORKSTATIONS, CABLES AND RELATED GOODS; ESRI ARCGIS SERVER SOFTWARE; ESRI ARCEDITOR SOFTWARE; CONTAINERS; USB 500 GB HARD DRIVE ASSEMBLY; DELL T7500 SHOCK-MOUNTED ASSEMBLY; 84 ZLAND REMOTE UNITS CARRYING BAGS; RAID DATA STORAGE 20TB UNITS WITH CABLES, PATCHES, VSAT MODEL 9201 SATELLITE PHONE AND ADAPTERS; ALL AS MORE PARTICULARLY DESCRIBED IN AN AGREEMENT DATED JANUARY 18TH, 2012 (REFERENCE INVOICE 400089) BETWEEN THE DEBTOR AND FAIRFIELD NODAL, A DIVISION OF FAIRFIELD INDUSTRIES INC.

ALL ATTACHMENTS, ACCESSORIES, PARTS, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, INCREASES, ADDITIONS AND IMPROVEMENTS TO THE FOREGOING AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE OR OTHER DEALINGS WITH THE SAME.

ALL SEISMIC DATA AND DATA SETS OF THE DEBTOR.

AN UNCRYSTALLIZED LAND CHARGE.

THIS IS EXHIBIT "_	0	33
to the Affic	lavit of	•
Lawrence	Chua	
Sworn before me this.	1374	_
Day of June.	13	
_ Susan A	Corbin	
A Commissioner for Or	ths/Notary Public	_
in and for the New i	nec of Alberta	
State of Co	nnectad,	
United State	ze of Amore	en.

SUSAN A CORBIN NOTARY PUBLIC CONNECTICUT MY COMMISSION EXPIRES 11-30-2013

IN THE MATTER OF THE BANKRUPTCY OF

IMPACT 2000 INC.

OF THE CITY OF CALGARY, IN THE PROVINCE OF ALBERTA

REPORT ON THE TRUSTEE'S PRELIMINARY ADMINISTRATION

ESTATE NO. 25-094321

On May 3, 2013, Impact 2000 Inc. ("Impact") was deemed to have filed an assignment ("Bankruptcy Date") pursuant to the provisions of the *Bankruptcy and Insolvency Act* ("BIA") and Alvarez & Marsal Canada Inc. was appointed as trustee in bankruptcy ("A&M" or "Trustee") by the official receiver, subject to affirmation by the creditors of the trustee's appointment or substitution of another trustee by the creditors.

Background

Impact was incorporated on October 7, 1999, in the Province of Alberta. The voting shares of Impact are 100% held by \$48891 Alberta Ltd. ("848"), which is owned equally by Mike Wolowich, Patty Wolowich and the Wolowich Family Trust. Impact also has two wholly owned subsidiary corporations called Impact 2000 Exploration Consulting Inc. ("Impact Exploration") and Impact 2000 USA Inc. ("Impact USA"). The Trustee understands that Impact USA does not have any assets or operations. The Trustee was advised by the director of Impact (Mr. Wolowich) that Impact USA filed US taxes several years ago, but has since closed the company. Impact Exploration holds a geophysical exploration license and permits which allowed the company to shoot data recording for its customers. The Trustee was advised by Mr. Wolowich that Impact Exploration does not have any operations and has never filed taxes in the past.

Impact was in the business of providing a full suite of front-end seismic consulting services to the oil and gas exploration sector throughout Western Canada and the Northwest Territories. The main services that Impact provided included: (a) providing front end seismic consulting services to oil and gas exploration companies; (b) acquiring and marketing seismic data; and (c) entering into short term rental agreements for its unutilized equipment.

The main cause of Impact's financial difficulty and eventual insolvency of the company was as a result of it being under-capitalized due to a failed recapitalization attempt with an investor, Triple Five Global Group Ltd. This failed recapitalization caused significant operational problems that eventually impaired Impact's ability to properly complete projects and in particular one project that ended in cost overruns and a loss of approximately \$1.1 million. Further detailed information on the causes and events

leading up to Impact's insolvency is discussed in the affidavit of Mr. Mike Wolowich filed on or about November 23, 2012.

On November 2, 2012 (the "Bankruptcy Event"), Impact sought protection from its creditors through filing a Notice of Intention to Make a Proposal (the "NOI") under section 50.4(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended ("BIA") and a stay of proceedings was obtained on that date. Alvarez & Marsai Canada Inc. (the "Proposal Trustee") was named as Proposal Trustee under the NOI. Impact failed to file a proposal to its creditors and Official Receiver within the statutory time allotted under s.62(9) of the BIA. As a result, Impact was deemed to have filed an assignment in bankruptcy on May 3, 2013 (the "Bankruptcy Date").

As at the Bankruptcy Date, Impact operated from two leased locations. It had limited operations and no employees.

Conservatory & Protective Measures and Preliminary Evaluation of Assets and Details of Security Interests

Since the Bankruptcy Date, the Trustee has secured all material capital assets, which included office furniture, equipment and seismic data (the "Assets"), all as more fully detailed in the statement of affairs sent to all known creditors. Impact had no accounts receivable and no inventory. The equipment, which is the most significant asset, is currently stored in a secured leased storage yard. The Trustee has made arrangements with the landlord at this location to pay occupancy rent and retain the storage yard for an interim-period while it is in possession of the equipment. The Trustee has also continued the existing insurance by paying the monthly installments through to June 15, 2013 and the Trustee is listed as the "loss payee" and beneficiary on this policy.

In April 2013 during the Impact NOI proceedings, the equipment was appraised by two independent appraisal companies, Century Services Inc. ("Century") and Maynards Appraisals Ltd. ("Maynards"). Century and Maynards valued Impact's equipment at a forced liquidation value of \$687,365 and \$951,500, respectively.

The security held by the Secured Creditor charges all of the assets of Impact and as a result, the value of the assets is far less than the debt held by the Secured Creditor (i.e. \$1.3 million), which results in there being no equity for the estate.

The office furniture of Impact consists of older desks, filing cabinets, chairs, etc. that is not material in value and it remains at the Impact's offices with the consent of the Landlord. Costs to relocate the furniture would be greater than the proceeds of sale so it has not been moved.

The seismic data relates to the Wilson Creek South project (as discussed in the Proposal Trustee Reports located on its website at: www.amcanadadocs.com/impact). The raw and processed data (the "Data") is located and stored at the data processing company, CGG. The Trustee has contacted CGG and advised them of the Bankruptcy and the Trustee's

interest in the Data and that CGG is not to release the Data without the Trustee's consent. The Trustee received confirmation from CGG that it will store and protect the Data until the Trustee arranges to collect the Data. CGG has also advised they will not release the processed data until their outstanding account processing the Data of \$16,000 is paid in full, but will release the raw data back to the Trustee.

The Trustee is in receipt of an agreement that was entered into between Devon Canada Corporation ("Devon") and Impact on August 14, 2012, which appears to transfer 50% ownership in the Data to Devon. The Trustee was advised that the 50% ownership was sold/transferred by Impact to Devon in exchange for Devon agreeing to pay its account to Impact for the Wilson Creek South project within a shorter time frame as Impact was in need of funds to pay its debts. Therefore, it may be that Impact gave up 50% ownership in the Data for no or inadequate consideration. The Trustee is aware that CGG provided Devon a copy of the processed data with the understanding that Impact would pay the \$16,000 outstanding account. Impact was not provided a copy of the processed Data.

During the NOI proceedings, Impact hired an experienced agent (the "Agent") to sell licenses of the Data to arm's length parties. The Agent was unable to sell any licenses during this time period. The value of this data is currently undeterminable and it appears from the experience of the Agent this data has minimal value at this particular time, but may have some value in the future (based on demand and need of this data from oil and gas companies).

The Trustee, has received a Notice of Proposal to Retain Collateral ("PPSA Notice") of Impact pursuant to s.62 of the Alberta *Personal Property Security Act* from Impact's main secured lender, Takoda Resources Ltd. ("Takoda" or "Secured Creditor"), filed on May 3, 2013. In addition, Takoda has filed a proof of claim and security in the bankruptcy proceedings claiming a security interest in all of Impact's personal and real property. The proof of claim indicates that the amount required to satisfy Impacts obligation to Takoda is \$1,352,314.17.

Based on the information available to the Trustee as discussed above, the Trustee does not believe there is any equity in the property over the secured claim of Takoda and therefore has not objected to the PPSA Notice and recommends the property be released to Takoda. The Trustee is aware that a creditor of Impact has objected to the PPSA Notice and Takoda is responding to the objection.

Books and records

The Trustee has taken possession of the books and records of Impact required to complete the administration of the bankruptcy. The remaining books and records are located at Impact's office located at 2806 Ogden Road SE in Calgary, Alberta, as it is likely that these records will be release to the Secured Creditor.

Provable Claims and Secured Claims

The Trustee is aware of approximately \$2.45 million of indebtedness owed to various secured lenders, including the Takoda claim of approximately \$1.3 million. The remaining secured claims are related party claims by related parties owned directly or indirectly by Mike and Patty Wolowich.

Takoda acquired its loans and security interest over Impact through a purchase of the loans and security of Canadian Western Bank ("CWB") on April 15, 2013 at the full value of the loans of approximately \$1.1 million (the Security Transaction"). CWB originally entered into the loan agreement with Impact on or round April 2011, Takoda, CWB and Impact were all represented by independent legal counsel at the time of the purchase transaction and the Trustee understands that Takoda's legal counsel verified the security of CWB was valid. The remainder of Takoda's indebtedness was incurred as it paid claims determined in the NOI Proceeding to be in priority to the CWB security, including the administrative charge of approximately \$200,000 and a deemed trust claim of Canada Revenue Agency ("CRA").

The Trustee has reviewed the Takoda proof of claim and supporting documents and notes that the security appears to be properly taken and is registered at Alberta Personal Property Registry. Additionally, the recent Security Transaction supports the presumption that the loans and security are valid and enforceable against the Trustee. Accordingly the Trustee will not be objecting to the PPSA Notice nor disallowing the proof of claim of Takoda.

The Trustee understands that Ms. Patricia Wolowich is a minority shareholder of Takoda and Mr. Michael Wolowich is an employee and director of Takoda.

The deemed trust claim owed to CRA during the NOI proceedings was for outstanding source deductions of approximately \$66,000. The Trustee was advised that this claim was paid by Takoda. The administrative charge related to unpaid professional fees and costs of the Trustee, its legal counsel and legal counsel of Impact during the NOI proceedings.

The Trustee has not reviewed in detail the related party secured claims as there does not appear there is any value to their security and they will not receive any distributions from the estate.

The other liabilities that the Trustee is aware of are unsecured claims as listed on the Statement of Affairs. To date, the Trustee has not received any proof of claims indicating a material difference in the claims disclosed in the company's statement of affairs

Legal Proceedings

No legal proceedings have been instituted by the Trustee to date.

The Trustee is not aware of any legal proceedings by or against the Company.

Reviewable Transactions and Preference Payments

The Trustee's preliminary review of the books and records note the following transactions that occurred within three months prior to the Bankruptcy Event:

Related Party Security Agreements (Registered at Alberta Personal Property Registry)

- 1. Michael & Patty Wolowich (owners of 848, which wholly own Impact)
 - a. Registration Type: Security Agreement
 - b. Registration Date: October 17, 2012
 - c. Collateral:
 - i. all present and after-acquired personal property of Impact and all proceeds therefrom; and
 - ii. Specific field equipment; data recording station; software license and supplementary items
- 2. Prolific Energy Services Ltd. ("Prolific") wholly owned by Michael Wolowich
 - a. Registration Type: Security Agreement
 - b. Registration Date: October 19, 2012
 - c. Collateral:
 - i. all present and after-acquired personal property of Impact and all proceeds therefrom

The Trustee has not received proof of claims ("POC") from Michael and Patty Wolowich nor Prolific Energy Services Ltd. The Trustee has not follow up on this matter any further at this time, as it is unlikely any distribution of funds will be made to these creditors, as the security appears to be subordinate to the security of Takoda.

Seismic Data Transaction

As discussed above, Impact transferred 50% ownership of the Data to Devon for what appears to be inadequate or no consideration. This transaction occurred on August 12, 2012, the Trustee has not completed a full investigation of this transaction to determine whether it is reviewable under the provisions of the BIA or other legislation. If the creditors wish the Trustee to investigate this matter further, the creditors will have to provide funding to the estate. As previously discussed, the value of the Data is difficult to assess and it appears from the experience of the Agent the Data has minimal value at this particular time. Further, Takoda claims a security interest in the Data and any monies recovered would firstly go to Takoda.

Trustee's Intention to Act

The Trustee has not acted for any secured creditors, as set out in subsection 13.4(1,1) of the BIA.

Possible Conflict of Interest

A&M was the Proposal Trustee under s.50.4(1) of the BIA prior to Impact becoming a bankrupt. Under the BIA provisions, A&M automatically become the bankruptcy trustee.

During the NOI proceedings, The Trustee did received a retainer in the amount of \$30,000 from Impact to cover the Trustee's administration fees and disbursements in the bankrupt estate.

Anticipated Realization and Projected Distribution

All of the assets of Impact are subject to a security interest from the Secured Creditor and other secured lenders that may be owed approximately \$2.45 million.

Based on the estimated values discussed above and the amount of debt of the Secured Creditor, the Trustee recommends the release of the Assets to the Secured Creditor in accordance with its PPSA notice of proposal and its secured proof of claim.

Consequently, there will be no funds available for dividends to other creditors.

ALVAREZ & MARSAL CANADA INC, Trustee for the Estate of

Impact 2000 Inc.

Tim Reid, CA•CIRP Senior Vice-President

May 21, 2013

THIS IS EXHIBIT" P	33
to the Affidavit of	-
Lawrence Chua	
Sworn before me this 374	_
Day of <u>June</u> , 2013	Liveris
Susan a Corbin	
A Commissioner for Oaths/Notary Public	
in and for the Province of Alberta-	
State of Connecticut,	
United States of Amer	1

SUSAN A CORBIN NOTARY PUBLIC CONNECTICUT MY COMMISSION EXPIRES 11-30-2013



Hall & Revering



Michael S. Hall

Donnon F, Revering

Via Fax: 403-695.3558

Our File:

16316 MSH

May 9, 2013

Your File: Direct Line:

780-875-4674

Gowling Lafleur Henderson LLP 1400 700 2nd Street SW Calgary, AB T2P 4V5

Attention: Jeffrey Oliver

Re:

Proposal to Retain Assets of Impact 2000 Inc.

Takoda Resources Inc.

We are solicitors for Welclean Land Services Ltd. We were served with a Notice to Retain the Collateral of Impact 2000. Enclosed for service upon you is an Objection by Welclean Land Services Ltd.

Please acknowledge service.

Yours Truly

Hall & Revering

Michael S. Hall

MSH/ encl

NOTICE OF OBJECTION TO RETENTION OF PERSONAL PROPERTY

(The Personal Property Security Act, Section 62(2))

TO: TAKODA RESOURCES INC. and IMPACT 2000 INC.

TAKE NOTICE THAT Welclean Land Services Ltd. objects to the retention of any or all of the assets of Impact 2000 Inc. by Takoda Resources Inc. in satisfaction of the obligations of Impact 2000 Inc.

DATED May 9, 2013

HALL & REVERING

^per: ____

Solicitors for Welclean Land Services Lid.

ADDRESS FOR SERVICE AND CONTACT INFORMATION

HALL & REVERING 5018-50 Avenue Lloydminster, AB T9V 0W7 780-875-9800 (ph) 780-875-8150 (fax) Lawyer in Charge of File: MICHAEL S. HALL

File No.: 16316,000 MSH

THIS IS EXHIBIT " "
to the Affidavit of
Lawrence Chua
Sworn before me this 13 TH
Day of June , 20 13
Susun a Corbin
A Commissioner for Oaths/Notary Public
in and for the Province of Alberta-
State of Connecticut,
United States of America

SUSAN A CORBIN NOTARY PUBLIC CONNECTICUT MY COMMISSION EXPIRES 11-30-2013

STATEMENT OF LOAN ACCOUNT

		Date:	June-13-13		
Re: Customer: UCM:	Impact 2000 Inc.				
Loan Details:				Payments:	ats:
Maturity Date:		Principal & Interest:		÷	•
Paid to Date:		Insurance Premium:		64	
Term:		Property Tax Escrow:		649	
Interest Type:	Floating	Total Payment:		60	
Interest Rate:	P + 2.00%	Payment Type: Payment Frequency:		Interest Only Monthly	t Only ly
ALL BALANCES	ALL BALANCES QUOTED IN THIS STATEMENT ARE EFFECTIVE:	ECTIVE:			June 13, 2013
Balance and rema	Balance and remarks which form an integral part of this statement:	int:			
	Principal Balance			69	499,278.57
	Accrued Interest			€9	957.53
	Total Due:			\$	500,336.10
	Plus Per Diem Interest from April 16, 2013 to June 13, 2013	June 13, 2013			
	(59 days x \$68.39 per day)		بعئ		4,035.01
		*			
Payout funds must l	Payout funds must be delivered to the Branch by 2:00 pm for current day processing	day processing.			
Per Diem Interest	Per Diem Interest if paid after 'Effective Date'	\$68.39			

Expected Payment Total:

504,371.11

STATEMENT OF LOAN ACCOUNT

Date: June-13-13

Re: Customer: Impact 2000 Inc. UCM:

Total Duc: Pins Per Diem Interest from April 16, 2013 to June 13, 2013	Principal Balance Accrued Interest	ALL BALANCES QUOTED IN THIS STATEMENT ARE EFFECTIVE: Balance and remarks which form an integral part of this statement:	Loan Details: Maturity Date: Paid to Date: Term: Interest Type: Floating Interest Rate: P + 2.00%
June 13, 2013		ECTIVE:	Principal & Interest: Insurance Premium: Property Tax Escrow: Total Payment: Payment Type: Payment Frequency:
Ş	ઝ ઝ		Payr \$ \$ Inter
550,747.30	549,693.09 1,054.21	June 13, 2013	Payments: Interest Only Monthly

Payout funds must be delivered to the Branch by 2:00 pm for current day processing.

(59 days x \$75.30 per day)

64)

4,442.70

Per Diem Interest if paid after 'Effective Da

\$75.30

Expected Payment Total:

555,190.00

STATEMENT OF LOAN ACCOUNT

Date: June-13-13

Re: Customer: Impact 2000 Inc. UCM:

799.45	₩	per day)	(59 days x \$13.55 per day)	
27,817,72	69	Total Duc: Plus Per Diem Interest from April 16, 2013 to June 13, 2013	Total Duc: Plus Per Diem Int	
352.16	↔		Accrued interest	
27,465.56	6/5		Principal Balance	
June 13, 2013		ALL BALANCES QUOTED IN THIS STATEMENT ARE EFFECTIVE: Balance and remarks which form an integral part of this statement:	ES QUOTED IN THIS narks which form an i	ALL BALANC Balance and rea
Monthly		Payment Frequency:		
Interest Only		Payment Type:	18.00%	Interest Rate:
	S	Total Payment:	Fixed	Interest Type:
	N	Property Tax Escrow:		Term:
	€9	Insurance Premium:		Paid to Date:
	↔	Principal & Interest:		Maturity Date:
Payments:				Loan Details:

Payout funds must be delivered to the Branch by 2:00 pm for current day processing.

Per Diem Interest if paid after 'Effective Da

\$13.55

Expected Payment Total:

28,617.17

SUMMARY

								Loan Account 1
	Total PAID BY TAKODA	Plus Cowungs Legal Fees up to and mouding June 13, 2013 Plus Rent (2 months) and Insurance to Secure Equipment (paid by Takoda) (Rent (2 months) \$11 698 60 + Insurance \$1 132 00)	Plus Administration Charge (paid by Takoda Resources Inc. ("Takoda")) Plus CRA Source Deductions Charge (paid by Takoda)	(Plus \$157.24 Per Diem Interest if paid after June 13, 2013)	Loan Agreements	Total Principal and Interest Plus Costs (of counsel for CWB) Total Owing Pursuant to Security and	2	1
TOTAL OWING TO TAKODA	3,000	ng June 13, 2013 re Equipment (paid by ' r 132.00)	a Resources Inc. ("Take by Takoda)			<u>\$27,465.56</u> \$1,076,437.22	\$549,693.09	<u>Principal</u> \$499,278.57
о такода		Takoda)	oda"))			\$1,151.61 \$11,741.06	\$5,496.91	<u>Interest</u> \$5,092.54
\$1,127,377.18 <u>\$290,512.62</u> \$1,417,889.80	\$290,512.62	\$46,198.19 \$12,830.60	\$165,735.56 \$65,748.27		\$1,127,377.18	\$28.617.17 \$1,088,178.28 \$39,198.90	\$555,190.00	<u>Total</u> . \$504,371.11

THIS IS EXHIBIT "	,
to the Affidavit of	
Lawrence Chua	_
Swarn before me this 1374	_
Day of June , 2013	_
Susan & lorbin	
A Commissioner for Osthe/Notary Public	•
in and for the Province of Alberts.	
State of Connecticut,	
Instead States of Amad	

SUSAN A CORBIN NOTARY PUBLIC CONNECTICUT MY COMMISSION EXPIRES 11-30-2013

Clerk's stamp:

COURT FILE NUMBER:

25-094321

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3

AS AMENDED

SAMBRUPTOY AND INSOLVENCY PAILLITE ET INSOLVABILITE PILED

DEC - 6 2012

JUDICIAL CENTRE OF CALGARY

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF IMPACT 2000 INC.

APPLICANT:

IMPACT 2000 INC.

DOCUMENT:

<u>ORDE</u>R

ADDRESS FOR SERVICE AND

SERVICE AND CONTACT

INFORMATION OF

PARTY FILING THIS

DOCUMENT

OSLER, HOSKIN & HARCOURT LLP

Barristers & Solicitors

Suite 2500, 450 - 1st Street S.W.

Calgary, AB T2P 5H1

Solicitor: A. Robert Anderson, Q.C. & Doug

Schweitzer

Telephone: (403) 260-7004 / 7075

Facsimile: (403) 260-7024 Email: dschweitzer@osler.com

File Number: 1139886

DATE ON WHICH ORDER

WAS PRONOUNCED:

November 29, 2012

NAME OF JUDGE

WHO MADE THIS ORDER:

The Honourable Mr. Justice A.D. Macleod

LOCATION OF HEARING:

Calgary, Alberta,

UPON THE APPLICATIONS of Impact 2000 Inc. ("Impact") filed November 23, 2012 (the "Impact Application") and Canadian Western Bank ("CWB") filed on or about

November 28, 2012 (the "CWB Application"); AND UPON having read the Affidavit of Michael Wolowich sworn January 24, 2012 (the "Wolowich Affidavit"), the First Report of Alvarez & Marsal Canada Inc., in its capacity as Trustee (the "Proposal Trustee") under the Notice of Intention to Make a Proposal of Impact 2000 Inc. ("NOI") dated January 23, 2012, the Supplemental Report of the Proposal Trustee dated January 29, 2012 (the "Supplemental Report"), the Affidavit of Jessie Taha sworn on January 26, 2012 and the Affidavit of Rod Stefanizyn sworn on November 28, 2012; AND UPON having heard representations of counsel for Impact, the Proposal Trustee, CWB, Canada Revenue Agency, Welclean Land Services Ltd. and any other counsel or parties present; IT IS HEREBY ORDERED AND DECLARED THAT:

- The time for service of the Impact Application is abridged, the Impact Application is properly returnable on November 29, 2012, and that service of the Impact Application is sufficient and that service on any other persons of notice of the Impact Application is dispensed with.
- 2. Impact is hereby granted an extension, pursuant to s. 50.4(9) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended (the "BIA"), of the time for Impact to file a proposal, to on cr before January 10, 2013.
- 3. As security for the professional fees and disbursements incurred both before and after filing the NOI, the Proposal Trustee, Proposal Trustee's counsel, and Impact's counsel are hereby granted the benefits of and a charge (the "Administration Charge") on Impact's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "Property"), which charge shall not exceed an aggregate amount of \$200,000, as security for their professional fees and disbursements incurred at the normal rates and charges of the Proposal Trustee, the Proposal Trustee's counsel and Impact's counsel, both before and after the making of this order, in respect of these proceedings.
- 4. The filing, registration or perfection of the Administration Charge shall not be required, and the Administration Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Administration Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.

- 5. The Administration Charge shall constitute a charge on the Property and such charge shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise in favour of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "Persons" and each being a "Person").
- 6. Impact shall, subject to such requirements as are imposed by the BIA, have the right to dispose of redundant or non-material assets not exceeding \$10,000 in any one transaction or \$50,000 in the aggregate (or in excess of these amounts, by order of this Court). Any disposal of redundant or non-material assets by Impact is authorized and approved nunc pro tunc.
- 7. Exhibit "10" to the Wolowich Affidavit and Confidential Appendices "A" and "B" to the Supplemental Report (collectively, the "Confidential Exhibits") shall be sealed on the Court file in these proceedings until further Order of this Court.
- 8. The Clerk of the Court shall file the Confidential Exhibits in sealed envelopes with an attached notice that sets out the style of cause in these proceedings and a statement that the envelopes' contents are sealed pursuant to this Order.
- 9. Any remaining balance from rental payments or other income or receipts received to date by Impact (excluding retainers of professional advisors and rental deposits), and all such further payments or receipts shall be paid over to the Proposal Trustee. Any proposed payment or distribution of these funds by Impact shall be reviewed and approved by the Proposal Trustee having regard to the propriety and validity of such proposed payments. The Proposal Trustee is authorized to make, on Impact's behalf, such approved payments or distribution of funds that are requested by Impact. The Proposal Trustee or Impact shall have leave to reapply to this Court for further directions in the event of any disagreement with respect to any proposed payments.
- 10. In the event a transcript from the hearing of the Impact Application and the CWB Application that took place on November 29, 2012 (the "Transcript") is requested, the process outlined in Schedule "A" to this Order shall be followed.

- 11. Impact is authorized and directed to provide a copy of this Order to Transcript Management Services ("TMS") and TMS shall take all steps necessary to ensure that it follows the process outlined in the attached Schedule "A".
- The CWB Application is dismissed.
- All parties shall bear their own costs of the Impact Application and the CWB
 Application.

Justice of the Court of Queen's Bench of Alberta

Approved as Order Granted:

per Sepat Migh.
A Robert Anderson

Oster Hoskin Harcourt LAP Solicibrs for Impact 2000 The.

per Susan & Robinson Borns

Miles Davison U.D

Solicitors for Conscion western Bonk

Till Hedburst-Treader

Satisfitor for Canada Revenue Agency

Howard Borman Schief

Heriton Rose Canada LLP Schleiters for Alvanez and Morsal Compacine

Schedule "A"

- The process referenced in paragraph 10 of the Order shall be as follows:
 - a. TMS shall advise Impact and the Proposal Trustee that a request has been made for a copy of the Transcript and provide Impact and the Proposal Trustee with a copy of the Transcript;
 - Impact and the Proposal Trustee are authorized and directed to redact any reference in the Transcript to values set forth in the Confidential Exhibits (the "Redacted Transcript") and return the Redacted Transcript to TMS;
 - only the Redacted Transcript shall be provided by TMS to the requesting party (the "Requesting Party"); and
 - the Requesting Party may apply on reasonable notice to Impact and the Proposal Trustee to receive an unredacted copy of the Transcript.

THIS IS EXHIBIT "	
Lawrence Chua	
Swom before me this	
Day of June 2013	
Susan a Corbin	
A Commissioner for Onthe Notary Public	
in and for the Previous of Alberta	
State of Connecticuit,	
United States of America	Ļ

SUSAN A CORBIN NOTARY PUBLIC CONNECTICUT MY COMMISSION EXPIRES 11-30-2013



montréal - outawa - toronto - hamilituri - waterloo region - calgary - vancouver - belljing - moscow - landon

Jeffrey Oliver

Direct 403-298-1818 Direct Fax 403-695-3558 jeffrey.oliver@gowlings.com

File No. A131510

May 2, 2013

VIA COURIER

Osler Hoskin & Harcourt LLP Suite 2500 TansCanada Tower 450 – 1st Street SW Calgary, AB T2P 5H1

Attention:

Robert Anderson

Dear Sir:

Re: BIA Proposal Proceedings of Impact 2000 Inc. (the "Proposal Proceedings")

Please find enclosed a trust cheque from our firm, on behalf of Takoda Resources Inc., payable to your firm in the amount of \$99,221.68. The payment of this amount is in relation to your invoices numbered 11542755 and 11542826. We understand that through the payment of these sums, all accounts owing to your firm and payable pursuant to the Administration Charge in the Proposal Proceedings have been satisfied.

Yours truly,

GOWLING LARLEUR HENDERSON LLP

Jeffrey Oliver JLO:rc Encl. gowlings

Gowling Lafleur Henderson LLP
Barristers & Solicitors - Patent & Trade-Mark Agents
1400 Scc | Centre 700 - 2nd Street S.W.
Calgary, F | Jrta T2P 4V5

The Bank of Nova Scotia

240 - 8th Avenue S.W. Calgary, Alberta T2P 2N7 260027048 Trust Account

05-02-2013

DATE MM DD YYYY

PAY** Ninety-nine thousand two hundred twenty-one and 68/100 dollars CDN FUNDS

TO THE ORDER OF

Osler Hoskin & Harcourt LLP

\$

PER

**99,221.68

#DD0 2500 27048# 1550009#00 24 0 10 25# 1 2#

gowlings

Gowling Lafleur Henderson LLP Barristers & Solicitors - Patent & Trade-Mark Agents 1400 Scotia Centre 700 - 2nd Street S.W. Calgary, Alberta T2P 4V5

260027048

May 2, 2013

Trust Number

Client

Matter

Transaction Amount

2

202324

A131510

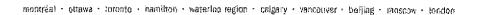
1712

99,221.68

Trust Total:

\$99,221.68

Reconciliation of Professional Fees





May 2, 2013

VIA COURIER

Jeffrey Oliver
Direct 403-298-1618
Direct Fax 403-695-3558
jeffray.oliver@gowlings.com
File No. A131510

Alvarez & Marsal Canada Inc. 202 – 6th Avenue SW Calgary, AB T2P 2R9

Attention:

Orest Konowalchuk

Dear Sir:

Re: BIA Proposal Proceedings of Impact 2000 Inc. (the "Proposal Proceedings")

Please find enclosed trust cheques from our firm, on behalf of Takoda Resources Inc., in the following amounts:

- 1. \$62,586.88, payable to Alvarez & Marsal Canada Inc.; and
- 2. \$3,927, payable to Norton Rose.

We understand that through the payment of these amounts, all accounts owing to your firm and Norton Rose, and payable pursuant to the Administration Charge in the Proposal Proceedings, have been satisfied.

Yours truly,

GOWLING LAFLEUR HENDERSON LLP

Jefffrey Oliver JLO:rc

Enels.

Gowling Lafleur Henderson LLP Barristers & Solicitors - Patent & Trade-Mark Agents

Centre 700 - 2nd Street S.W. 1400 Sc/ Calgary, Jita T2P 4V5

The Bank of Nova Scotia

240 - 8th Avenue S.W. Calgary, Alberta T2P 2N7 260027049 **Trust Account**

05-02~2013 DATE MM DD YYYY

3,927.00

PAY** Three thousand nine hundred twenty-seven and 00/100 dollars CDN FUNDS

Norton Rose

\$

PER.

#OD0260027049# \$10009#002# 01025#12#

Gowling Lafleur Henderson LLP Barristers & Solicitors - Patent & Trade-Mark Agents 1400 Scotia Centre 700 - 2nd Street S.W. Calgary, Alberta T2P 4V5

260027049

May 2, 2013

Trust Number

Client

Matter

Transaction Amount

2

202324

A131510

1712

3,927.00

\$3,927.00

Reconciliation of Professional Fees

Trust Total:

260027050 Trust Account The Bank of Nova Scotia Gowling Lafleur Henderson LLP 240 - 8th Avenue S.W. Barristers & Solicitors - Patent & Trade-Mark Agents Calgary, Alberta T2P 2N7 05-02-2013 1400 Scc Gentre 700 - 2nd Street S.W. Calgary, r orta T2P 4V5 DATE MM DD YYYY PAY** Sixty-two thousand five hundred eighty-six and 88/100 dollars CDN FUNDS \$ 566.88 Alvarez & Marsal Canada Inc. PER #OOD 2600 27050# #1000 9m00 2# 010 25m1 2# Gowling Lafleur Henderson LLP Barristers & Solicitors - Patent & Trade-Mark Agents 1400 Scotia Centre 700 - 2nd Street S.W. 260027050 Calgary, Alberta T2P 4V5 May 2, 2013 Trust Number Client <u>Matter</u> Transaction Amount 2 202324 A131510 1712 62,586.88 Reconciliation of Professional Fees Trust Total: \$62,586.88

THIS IS EXHIBIT "
to the Affidavit of
Lawrence Chua
Sworn before me this 1374
Day of June , 20 13
_ Susan a Corbin
A Commissioner for Oaths/Notary Public
in and for the Province of Alberta
State of Connecticut,
United States of America

SUSAN A CORBIN NOTARY PUBLIC CONNECTICUT MY COMMISSION EXPIRES 11-30-2013



nontréal • ottawa • toronto • hamilton • waterloo region • calgary • vancouver • belljing • moscow • london

May 6, 2013

VIA COURIER

Jeffrey Oliver
Direct 403-298-1818
Direct Fax 403-695-3558
jeffrey.oliver@gowlings.com
File No. A131510

Canada Revenue Agency Department of Justice Canada Suite 510 606 - 4th Street SW Calgary, Alberta T2P 1T1

Attention:

Jill L. Medburst-Tivadar

Dear Madam:

Re: Notice by Takoda Resources Inc. of Proposal to Retain Collateral of Impact 2000 Inc.

Section 62 of the Alberta Personal Property Security Act

Further to our exchange of emails of today's date, please find enclosed a trust cheque payable to the Receiver General in the amount of \$65,748.27. We confirm your advice that this cheque represents the amount of the source deduction deemed trust priority claim.

Yours truly,

GOWLING LAFLEUR HENDERSON LLP

Jeffiey Oliver

ĴLOπe Encl. Gowling Lafleur Henderson LLP
Barristers & Solicitors - Patent & Trade-Mark Agents
1400 Scotla Centre 700 - 2nd Street S.W.
Calgary, A R 72P 4V5

The Bank of Nova Scotia 240 - 8th Avenue S.W. Calgary, Alberta T2P 2N7 260027069 Trust Account

05-06-2013 DATE MM DD YYYY

PAY ** Sixty-five thousand seven hundred forty-eight and 27/100 dollars CDN FUNDS

TO THE ORDER

Receiver General For Canada

***65,748.27

1 L| L

PER .

gowlings

Gowling Lafleur Henderson LLP Barristers & Solicitors - Patent & Trade-Mark Agents 1400 Scotia Centre 700 - 2nd Street S.W. Calgary, Alberta T2P 4V5

260027069

May 6, 2013

<u>Trust Number</u>

Client

<u>Matter</u>

Transaction Amount

2

202324

A131510

1712

65,748.27

Trust Funds

Trust Total:

\$65,748.27

to the Affidavit of

Lawrence Chua
Sworn before me this 13TH

Day of Tune , 20 13

A Commissioner for Oather Notary Public in and for the Province of AlbertaState of Connecticut,

United States of America

SUSAN A CORBIN NOTARY PUBLIC CONNECTICUT MY COMMISSION EXPIRES 11-30-2013

Government of Alberta ■

Personal Property Registry Verification Statement

Page 1 of 2

Transmitting Party
GOWLING LAFLEUR HENDERSON LLP

1400, 700 2 STREET S.W. CALGARY, AB T2P 4V5 Party Code: 50016237 Phone #: 403 298 1004 Reference #: A131510/GS

Amendment of Security Agreement

Control #:	M02540959	Registration Date:	2013-Jun-12	Registration #:	13061223299			
Financing	Change Stateme	ent		.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,				
Use this sec your file.	ction to Renew or Di	ischarge this Registra	ation. Note before	returning, make a ph	otocopy for			
Place an (X) in the appropriate	рох						
	Renew for:	(1-25 years)	····					
OR Renew for Infinity: Total Discharge: Discharge permanently removes ALL record of the registration(s).								
	Person Authorized to this section	Authorized Sign	nature Area Co Telepho		ence #:			



Government of Alberta

Personal Property Registry Verification Statement

P	age	2	of	2

Amendment of Security Agreeme	int of Security Agreemen	ement	Agree	security		OŢ.	T.	en	m	ıaı	men	Ρ
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Control #: M02540959

Registration Date: 2013-Jun-12

Registration #: 13061223299

This Registration Expires at 11:59 PM on 2016-Jun-09

Latest Registration # is 13041825565.

First Current Debtor is IMPACT 2000 INC..

First Current Secured Party is TAKODA RESOURCES INC..

Additions

Debtor(s)

Block

2

DEVON NEC CORPORATION 2000, 400 3RD AVENUE SW CALGARY, AB T2P 4H2

Collateral: General

Block Description

6

As against Devon NEC Corporation, the right, title and interest, if any, of Devon NEC Corporation in and to seismic data transferred or purported to be transferred by Impact 2000 Inc. to Devon NEC Corporation in or around August 2012 pursuant to an agreement between Impact 2000 Inc. and Devon NEC Corporation.

End of Verification Statement

FINANCING CHANGE STATEMENT

IDENTIFICATION OF ORIGINAL REGISTRATION AND AMENDMENTS

LATEST REGISTRAT	TION # 11060925971			
CURRENT DEBTOR Business Name or Last Nar Impact 2000 Inc.	ne		First Name	Middle Name
CURRENT SECURED Business Name or Last Nar Takoda Resources	me		First Name	Middle Name
RENEWAL?	For PPSA, Sale of Goods, and F type no. of years (1-25) or "X" for i	actors Act, TOTAL	. DISCHARGE?	Type "X" to permanently remove ALL record of registration(s)
(If there are no other chang to REGISTERING PARTY b	ges, skip DELETIONS and ADDITIO pelow)	NS and go (Skip D PARTY		ONS and go to REGISTERING
		DELETIONS		
DERTAR	All information relating to the block		nently deleted from the rec	ords
DEBTOR Block # Business Na	ame OR Last Name		First Name	Middle Name
SECURED PARTY Block # Business Na	ame OR Last Name		First Name	Middle Name
COLLATERAL: SERI Block # Serial Numb	AL NUMBER GOODS	Year	Make and Model	
To delete any other collate DELETIONS form.	eral, attach completed COLLATERA	L DELETIONS form. To	delete general collateral,	attach completed COLLATERAL
	**************************************	ADDITIONS	······································	
DEBTOR	Business X	Individual	· NECONO BECCOTO JAMES AND STATES	
Business Name OR Last Na Devon NEC Corpo		First Name	Middle Name	Birthdate (if known) DD/MM/YY
Street Address		City		Prov. Postał Code
2000, 400 3RD AV	ENUE SW	CA	LGARY	AB T2P4H2
SECURED PARTY	Business	Individual		
Secured Party Code	Business Name OR Last Name		First Name	Middle Name
Street Address		City		Prov. Postal Code



COLLATERAL: SERIAL NUMBER GOODS (If Serial Number	PPSA, applicable only to consum Year Make and	ner goods or equip d Model	oment)	Ca	ategory
To add other collateral, attach completed GENERAL COLLA	ERAL ADDITIONS form		Notes Por Mark Adors & Marketing Street S		
REGISTERING PARTY Business Registrant Code Business Name GOWLING LAFLEUR	-	First I	Name	Middle N	ame
Street Address 1400, 700 - 2 STREET S.W.	City CALGARY			Postal Code T2P 4V5	
AUTHORIZED SIGNATURE Type Name of Person Signing Gillian Scarlett Signature		Area Code 403 Your Referen	Phone 298-186	66	Call Box C118
A Mari	Workshift And the beautiful and the second of the second o	A131510		Page	of -2 3~

GENERAL COLLARRAL ADDITIONS FORM

BLOCK 3

DESCRIPTION

As against Devon NEC Corporation, the right, title and interest, if any, of Devon NEC Corporation in and to seismic data transferred or purported to be transferred by Impact 2000 Inc. to Devon NEC Corporation in or around August 2012 pursuant to an agreement between Impact 2000 Inc. and Devon NEC Corporation.

A