

**OFFER – DO ALL INDUSTRIES LTD. AND P & O ASSETS LTD.
(COLLECTIVELY REFERRED TO AS THE “COMPANY”) IN RECEIVERSHIP**

To: Alvarez and Marsal Canada Inc.
in its capacity as Receiver and Manager of the Company
and not in its personal capacity

Bow Valley Square I
Suite 570, 202 - 6th Avenue SW
Calgary, Alberta T2P 2R9

Attention: Tim Reid

1. _____
(Name of Offeror)

2. _____
(Address of Offeror)

3. _____
(Phone number) _____
(Fax number or email address)

4. _____
(Person to be contacted)

5. The Offeror hereby offers to purchase from the Vendor, subject to the Terms and Conditions, the Assets indicated below.

6. The total amount offered is \$_____

7. The amount offered for each Parcel is as follows:

Parcel A: \$_____ Parcel M: \$_____

Parcel B: \$_____ Parcel N: \$_____

Parcel C: \$_____ Parcel O: \$_____

Parcel D: \$_____ Parcel P: \$_____

Parcel E: \$_____ Parcel Q: \$_____

Parcel F: \$_____ Parcel R: \$_____

Parcel G: \$_____ Parcel S: \$_____

Parcel H: \$_____ Parcel T: \$_____

Parcel I: \$_____ Parcel U: \$_____

Parcel J: \$_____ Parcel V: \$_____

Parcel K: \$_____ Parcel W: \$_____

Parcel L: \$_____

8. This offer must be considered as an En Bloc offer.

Yes _____

No _____

9. This Offer is irrevocable.

10. Enclosed is a bank draft payable to Alvarez & Marsal Canada Inc., in its capacity as Receiver and Manager of Do All Industries Ltd as a deposit in the amount of \$ _____, representing 10% of the total amount of the Offer submitted herein.

11. The Offeror hereby acknowledges and agrees that the Definitions and the Terms and Conditions attached hereto as **Schedule I** and **Schedule II** are incorporated by reference and made a part of this Offer and made a part of any Agreement constituted by the acceptance of this Offer.

DATED at _____ this _____ day of _____, 2014.

(Signature of Authorized Representative of Offeror)

(Name and Position)

ACCEPTED:

Alvarez & Marsal Canada Inc.
in its capacity as Receiver of
Do All Industries Ltd. and P & O Assets Ltd. and not in its personal capacity

Per: _____

SCHEDULE I
DEFINITIONS OF OFFER
Alvarez & Marsal Canada Inc. in its capacity as
Receiver of Do All Industries Ltd. and P & O Ltd.
and not in its personal capacity

In this Offer and in the Agreement constituted by acceptance hereof, including the Terms and Conditions of this Offer contained in Schedule II hereof, the following words and phrases shall have the following meanings:

"Agreement" means the agreement constituted by the acceptance of the Offer;

"Assets" means Parcels A to W described in Sections 4 and 5 and Appendices C and D of the Sale Information Package or a class of the Assets as identified by the Purchaser;

"Closing Date" means, 10 Business Days after Court Approval or such later date as may be agreed to in writing by the Vendor and the Offeror;

"Court Approval" means, the day in which the court approves accepted Offer and grants the Vesting Order;

"Deposit" means 10 % of the Offer amount to be delivered to the Vendor concurrent with the delivery of the Offer executed by the Offeror to the Vendor and payable by way of **certified cheque, bank draft or wire (in each case drawn on a Canadian Chartered Bank)** in trust to be utilized and applied in accordance with the terms of the Offer payable to "Alvarez & Marsal Canada Inc. - In Trust";

"Effective Date" means, unless otherwise agreed to between the parties, 12:01 a.m., Mountain daylight time, on the Closing Date;

"Offer" means the OFFER TO PURCHASE the Assets from the Offeror to the Vendor;

"Offeror" and **"Purchaser"** means the person described as Offeror in the Offer;

"Permitted Encumbrances" means all subsisting conditions, provisos, restrictions, exceptions and reservations including royalties contained in the original grant or contained in any other grant or disposition from the Crown registered or pending restrictive covenants and rights-of-way in favour of utilities and public authorities and those Permitted Encumbrances described in the real estate Parcels A to H.

"Purchase Price" means the amount set forth in the Offer, adjusted only for property taxes, plus GST or PST (if applicable in accordance with the Terms and Conditions) and any other applicable taxes payable in cash (or by certified cheque, bank draft or wire, in each case drawn on a Canadian Chartered Bank) by the Purchaser to the Vendor on the Closing Date;

"Terms and Conditions" means all of the terms and conditions contained in Schedule II to the Offer;

"Vendor" means Alvarez & Marsal Canada Inc. in its sole capacity as Receiver of Do All Industries Ltd. and P & O Assets Ltd. and not in its personal capacity (the "Receiver");

"Sale Information Package" means the information package provided by the Receiver to assist Purchasers with their assessment of the Assets;

SCHEDULE II
TERMS AND CONDITIONS OF OFFER
Alvarez & Marsal Canada Inc. in its capacity
as Receiver of Do All Industries Ltd. and P & O Assets Ltd.
and not in its personal capacity

1. The Offeror acknowledges and agrees that acceptance of the Offer by the Vendor is made by it solely in its capacity as Receiver of the Companies and not in its personal capacity, and that the Vendor and its respective employees, servants and agents shall have no personal or corporate liability whatsoever with respect to any matter(s) relating to or arising out of the Offer, the Agreement or the advertisement or sale of the Assets. Any suit, claim, demand or cause of action of the Offeror, in any way arising out of or related to the Offer, the Agreement or the advertisement or sale of the Assets, shall be restricted solely to the Assets and the Deposit.
2. Nothing herein shall be construed as a warranty, agreement or representation that the Vendor, as the Receiver of the Companies, is the owner of the Assets or that there are or will be no restrictions, encumbrances, burdens or obligations against the Assets.
3. The Vendor, in its sole discretion, may waive any or all of the Terms and Conditions of the Agreement which are for the benefit of the Vendor, provided however that any waiver shall only be effective if in writing and any such waiver shall not apply to waive any other provisions unless expressly stated in writing.
4. The Vendor has specified certain details respecting the Assets. The descriptions herein contained are not warranted to be complete or accurate, and the Offeror has had full opportunity to and has conducted such tests, examinations, inspections, and investigations as it deems necessary or advisable to fully acquaint itself with the Assets, their title, fitness for particular purpose, location, existence, condition, quality, quantity, merchantability, suitability for intended purpose and with any other attributes which the Offeror considers relevant.
5. The Assets are being sold on an "**as is and where is**" without recourse basis.
6. The Offeror acknowledges that it was entitled to and had the opportunity to consult with its own independent legal counsel prior to making the Offer.
7. The Offeror, with this Offer, delivered to the Vendor the Deposit. If the Offer is accepted, then subject to Paragraph 8 hereof, the Deposit shall be applied to the Purchase Price.
8. If the Offer is accepted and the Offeror fails to comply with any term or condition of the Agreement, or if the Offeror is unable or unwilling to complete this transaction for any reason whatsoever, the Deposit and all payments made on account of the Purchase Price shall be forfeited to the Vendor as a genuine pre-estimate of liquidated damages and not as a penalty.
9. In the event that this Offer is not accepted, the Deposit accompanying this Offer shall be returned to the Offeror without interest as soon as reasonably practicable. If the Offer is accepted and the Vesting Order is not obtained prior to Closing the Deposit accompanying this offer shall be returned to the Offeror without interest as soon as reasonably practicable.
10. The Offeror acknowledges that the Vendor is not obligated to accept this Offer. Any offer accepted by the Vendor is subject to Court Approval.
11. If the Offer is accepted, then notification of such acceptance shall be made effective upon delivery of such notification in writing to the address of the Offeror set forth in the Offer and shall be deemed to have been received by the Offeror on the day on which such delivery is made. Subject to the satisfaction of the condition precedent in favour of the Vendor at Paragraph 20 B of this Schedule II, upon acceptance as

aforesaid, the accepted Offer shall constitute a binding agreement of purchase and sale. Unless otherwise agreed between the parties, the closing of this transaction shall take place on the Closing Date.

12. Time shall be of the essence of this Offer, any acceptance thereof and the Agreement constituted by such acceptance.

13. This Offer and the Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the Offeror irrevocably attorns to the jurisdiction of the Courts of the Province of Alberta.

14. In consideration of the Vendor making available to the Offeror information relating to the Assets and the opportunity of inspection of such information, and in consideration of the Vendor receiving offers, the Offeror agrees that its Offer is irrevocable and cannot be retracted, withdrawn, varied or countermanded prior to acceptance or rejection thereof.

15. The Offeror shall, after the Purchase Price has been paid in full, take delivery and possession of the Properties on an "as is and where is" basis on the Closing Date, without recourse to the Vendor or their respective employees, servants and agents. The Purchase Price shall be paid to the Vendor on the Closing Date in cash or by certified cheque, bank draft or wire, in each case drawn on a Canadian Chartered Bank by the Offeror.

16. In the event of any damage occurring prior to the Closing Date, the Offeror shall not have the right to rescind, but, rather, shall have all of the rights of the insured party under the terms of the insurance policy under which the Assets are insured. The Offeror shall arrange for its own insurance as at and from the Closing Date.

17. At the Closing Date, the Vendor shall provide a Vesting Order or any other documentation necessary to give effect to this transaction which will vest title to the Assets in the name of the Purchaser free and clear of all encumbrances and charges save and except for those referenced in Section 4 to the Sale Information Package.

18. There are no representations, warranties, collateral agreements, or conditions whatsoever by the Vendor, and the Offeror, having been afforded all reasonable opportunity to examine the Assets and all documents and information pertaining to or affecting the Properties insofar as such documents and information are in the Vendor's possession, acknowledges and agrees that there are no representations, collateral agreements, conditions or warranties, expressed or implied, by statute, custom or otherwise, on the part of the Vendor or their respective agents, servants or employees, affecting the rights of the Offeror hereunder, and that, without restricting the generality of the foregoing, there are no representations regarding the Assets as to title, location, existence, fitness for particular purpose, condition, quality, quantity, merchantability or suitability for intended purpose, or as to any other attributes which the Offeror considers relevant. The Offeror further acknowledges and agrees that it is not relying upon any representations made by the Vendor or their respective agents, servants or employees and that the Agreement is and shall be the entire agreement between the parties.

19. The Offeror (if a corporation) represents and warrants to the Vendor that as of the date hereof, to and including the Closing Date:

- A. the Offeror is and will be a corporation duly incorporated, validly subsisting and in good standing under the laws of the Province of Alberta or Saskatchewan or is and will be a corporation duly incorporated, validly subsisting and in good standing under the laws of the jurisdiction of its incorporation and duly qualified and registered in the province of Alberta, and the Offeror has the full legal right, power, capacity and authority to acquire and own the Assets;
- B. the Offeror has and had at the time of execution, all requisite corporate power, authority and capacity to execute and deliver this Offer to the Vendor and to make and fully observe and perform all terms, covenants, conditions, agreements, representations and warranties contained in this Offer;

- C. the execution and delivery of this Offer has been duly authorized by all necessary corporate action of the Offeror and all necessary resolutions have been taken or passed by the Offeror and its shareholders, directors and officers in order to authorize the execution and delivery of this Offer and the carrying out of the transaction contemplated hereunder, and this Offer together with the acceptance thereof shall constitute a legal, valid and binding agreement for sale enforceable against the Offeror in accordance with its terms, with respect to those obligations of the Offeror set forth herein;
- D. the Offeror has duly executed and delivered this Offer and the execution, delivery and performance by the Offeror of this Offer does not and will not violate or conflict with the constituting documents and by-laws (if any) of the Offeror, nor any resolution of the directors or shareholders of the Offeror nor with any agreements, instruments, injunctions, judgments, decrees or writs to which the Offeror is a party or is bound, nor result in a violation of any law, statute, regulation, ordinance or rule to which the Offeror is subject;
- E. no registration with, giving of notice to, or consent or approval of, any governmental or public bodies or authorities, or any other parties, is necessary for the execution and delivery by the Offeror of the Offer or for the performance by the Offeror of the terms and conditions contained herein;
- F. the Offeror is not a non-Canadian as defined in the Investment Canada Act or if the Offeror is such a non-Canadian, then either the transaction herein is not notifiable or reviewable under such Act or the Offeror has satisfied the requirements of such Act such that the transaction herein provided for may be completed without contravention of such Act.

20. The obligation of the Vendor to complete the sale of the Properties pursuant hereto is subject to the following conditions precedent:

- A. the Offeror shall cause to be paid and delivered to the Vendor on the Closing Date the Purchase Price plus any applicable goods and services tax if payable in accordance with the Terms and Conditions and any other applicable taxes.
- B. that a Court Order is obtained from the Court of Queen's Bench of the Province of Alberta or such other Court as may be required authorizing the sale of the Assets and vesting title of the Assets in the Offeror in accordance with the terms of this Offer or on such other terms as are agreed to by the Vendor and the Offeror.

22. The Offer is not subject to financing or a financing condition.

23. No amendment or variation of the Agreement shall be of any force or effect unless the same is reduced to writing and duly executed by the Vendor and the Offeror.

24. Interest on the Deposit and all other funds paid to the Vendor pursuant to this Offer shall accrue to the benefit of Vendor.

25. The Offeror and the Vendor mutually agree to do all such further acts and execute all such further documents and instruments as may reasonably be necessary or convenient to give full effect to the Agreement.

26. This Agreement shall endure to the benefit of and be binding upon the Offeror and Vendor and their respective successors and assigns.

27. There shall be no sales commission payable by the Vendor to any realtor or other agent as a result of the sale pursuant to the Offer. Any such commissions which are payable shall be paid by the Offeror independent of this Agreement.

28. Any Goods and Services Tax ("GST") or Provincial Sales Tax ("PST") applicable to the purchase and sale of the Assets shall be payable as part of the Purchase Price subject to the remaining terms of this paragraph. The Purchaser hereby represents and warrants to the Vendor that it is or will become registered for the purposes of Part IX of the *Excise Tax Act* (Canada) in accordance with the requirements of Subdivision (d) of Division V thereof and it will continue to be so registered as of the Closing Date. The Purchaser covenants to deliver to the Vendor upon Closing (i) a notarial copy of the certificate evidencing its registration for purposes of the goods and services tax ("GST"), including the registration number assigned to it; and (ii) a declaration and indemnity of the Purchaser confirming the accuracy, as at Closing, of the representations and warranties set out herein and agreeing to indemnify the Vendor for any amounts for which the Vendor may become liable as a result of any failure by the Purchaser to pay the GST payable in respect of the sale of the Purchased Assets under Part IX of the *Excise Tax Act* (Canada) and that the Purchaser is buying for its own account and not as trustee or agent for any other party. Provided that the Purchaser delivers a notarial copy of the certificate and the declaration and indemnity as set out above, the Purchaser shall not be required to pay to the Vendor, nor shall the Vendor be required to collect from the Purchaser, the GST in respect of the Properties. In the event that the Purchaser shall fail to deliver the notarial copy of the certificate and the declaration and indemnity as set out above, then the Purchaser shall pay to the Vendor, as part of the Purchase Price, in pursuance of the Purchaser's obligation to pay and the Vendor's obligation to collect GST under the provisions of the *Excise Tax Act* (Canada), an amount equal to five (5%) percent of the Purchase Price. If the Vendor and the Purchaser are both registrants and the election is available, the Vendor and the Purchaser agree to elect pursuant to Section 167(1) of the *Excise Tax Act* that no GST shall apply in respect of the supply of the Assets.