

Clerk's stamp:



COURT FILE NUMBER

1303 06092

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

Edmonton

PLAINTIFF

ROYAL BANK OF CANADA

DEFENDANTS

DOWLAND CONTRACTING LTD.,
DOWLAND INDUSTRIAL WORKS LTD.,
DOWLAND CONSTRUCTION INC. AND
6070 N.W.T. LIMITED

DOCUMENT

**SALE APPROVAL AND VESTING ORDER
(Personal Property)**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

MILLER THOMSON LLP
Barristers and Solicitors
2700, Commerce Place
10155-102 Street
Edmonton, AB, Canada T5J 4G8
Phone: 780.429.1751 Fax: 780.424.5866

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

for Clerk of the Court

Lawyer's
Name: Rick T. G. Reeson, Q.C.
Lawyer's
Email: rreeson@millerthomson.com
File No.: 182818.0001 RTGR

DATE ON WHICH ORDER WAS PRONOUNCED:

Friday, August 16, 2013

NAME OF JUSTICE WHO MADE THIS ORDER:

The Honourable Mr. Justice D.
Thomas

LOCATION:

Edmonton

UPON the application of Alvarez & Marsal Canada Inc. (the "Receiver") in its capacity as Receiver of Dowland Contracting Ltd., Dowland Industrial Works Ltd. and 6070 N.W.T. Limited pursuant to, among other things, the Receivership Order of Associate Chief Justice J.D. Rooke dated May 6, 2013 with effect May 21, 2013 (the "Receivership Order"); AND UPON hearing read the Third Report of the Receiver, filed together with the unfiled Confidential Bid Summary (the "Bid Summary"); AND UPON noting that Dowland Contracting Ltd. and Dowland Industrial Works Ltd. (collectively "Dowland") are the owners of certain personal property; AND UPON hearing counsel for the Receiver and counsel for various creditors and other interested persons; AND UPON it appearing that the sale of the personal property described in Schedule "A" hereto (the "Personal Property") is in the best interests of the creditors of Dowland;

IT IS HEREBY ORDERED THAT:

SERVICE

1. Service of the notice of this application and supporting materials on the service list (the "Service List") is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this application, and time for service is abridged to that actually given.

MARKETING ACTIVITIES OF THE RECEIVER

2. The marketing activities of the Receiver in relation to the sale of the Personal Property as set out in the Third Report, are hereby approved.

APPROVAL OF TRANSACTION

3. The Receiver's acceptance of the various offers to purchase (the "Offer" or the "Offers") the Personal Property received from the parties set out in Schedule "A" hereto, which Offers are summarized in the Bid Summary, is hereby approved and ratified.
4. The Receiver is hereby authorized to conclude the transactions contemplated by each of the Offers (the "Transactions") on the terms as set out in the Offers and to take all such steps and execute all such documents as may reasonably be necessary to complete the Transactions contemplated therein.

VESTING OF PERSONAL PROPERTY

5. Upon the closing of each Transaction, all of Dowland's right, title and interest, in and to the Personal Property subject to that Transaction, shall, without further instrument of transfer or assignment, vest in the respective purchaser thereof as contemplated by the Offer (the "Purchaser"), absolutely and forever, free and clear of and from any and all claims by, through, or under Dowland, and any and all estate, right, title, interest, and liens, including but not limited to, claims, hypothecs, mortgages, charges, liens (whether contractual, statutory or otherwise), security interests, assignments, actions, levies, taxes, judgments, writs of execution, trusts or deemed trusts (whether contractual, statutory or otherwise), options, agreements, disputes, debts, easements, covenants, caveats, encumbrances or other rights, limitations or restrictions of any nature whatsoever including, without limitation, any rights or interests of any creditors of Dowland whether or not they have attached or been perfected, registered or filed, whether secured or unsecured or otherwise, whether liquidated, unliquidated or contingent (all of the foregoing being collectively referred to hereinafter as "the Claims"), and whether such Claims came into existence prior to, subsequent to, or as a result of any previous order of this Court, by or of all persons or entities of any kind whatsoever, including, without limitation, all individuals, firms, corporations, partnerships, joint ventures, trusts, unincorporated organizations, governmental and administrative bodies, agencies, authorities or tribunals and all other natural persons or corporations, whether acting in their capacity as principals or as agents, trustees, executives, administrators or other legal representatives (collectively, the "Claimants"), including for greater certainty and without limiting the generality of the foregoing: (i) the Claims held by or in favour of the individuals and entities served (either directly or through their solicitors) with notice of this Application; and (ii) the beneficiary of any Claims created or provided for pursuant to any previous Order of this Court in these proceedings.

6. The Receiver, as Vendor under the Offers, is hereby relieved from compliance with the provisions of the *Personal Property Security Act* of any province, territory or jurisdiction where the Personal Property may be located, and from any and all other provisions of law relating to notice, statutory or otherwise, which a creditor or other party is required to issue in order to dispose of the collateral of a debtor.
7. From and after the closing of the Transactions (including the payment of the purchase price by the Purchaser to the Receiver), any and all Claims of any Claimants in any or all of the Personal Property shall vest in the place and in the stead thereof in and to the net sale proceeds of the sale of the Personal Property, in the same priorities as existed immediately prior to the granting of this Order, after payment in full of all reasonable costs, charges and expenses, including without limitation, all professional fees and disbursements incurred by the Receiver on a solicitor and his own client full indemnity basis, in connection with the Receivership Order or the Transactions, and subject to the priority of the Court ordered charges provided in the Receivership Order.
8. The Purchaser shall, by virtue of the completion of the Transactions, have no liability of any kind whatsoever to any Claimants in respect of any Claims they may have against Dowland or the Personal Property.
9. The Transactions shall not be void or voidable at the instance of Claimants and shall not constitute nor shall be deemed to be a transfer under value, fraudulent preference, assignment, fraudulent conveyance or other challengeable or reviewable transaction under the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended (the "BIA") or any other applicable federal or provincial legislation, and the Transactions, or any actions taken in connection therewith, shall not constitute conduct meriting an oppression remedy.
10. Nothing in this Order shall prejudice any person's *in personam* claim against Dowland.
11. The Receiver is hereby authorized and directed to:
 - (a) Perform the respective covenants in the Offer substantially in accordance with its terms and conditions, subject to such amendments as the Receiver and the Purchaser may approve which do not materially and adversely alter the Transaction, including without limitation, reasonable extensions of the closing date; and
 - (b) Execute all deeds and documents, and to take all such steps as may be necessary or advisable in the sole discretion of the Receiver to consummate each of the Transactions.
12. The Closing Solicitors, namely Miller Thomson LLP of Edmonton, Alberta, (the "Closing Solicitors"), shall deliver to the Purchaser's Solicitors, as advised by the Purchaser (the "Purchaser's Solicitors"), the Closing Documents as required by the Tender (the "Closing Documents"), on reasonable trust conditions to facilitate the Closing.
13. The Purchaser shall cause the Purchaser's Solicitors to deliver the full balance of the Purchase Price, plus interest, if any, (the total of all such amounts herein called the "Closing Funds") to the Closing Solicitors on or before the Closing Date (as set out in the Offers and any extensions thereof agreed to by the Vendor and the Purchaser), by way of the Purchaser's Solicitors' certified cheque or by bank draft delivered to the Closing

Solicitors or the Closing Funds being electronically deposited in the trust account of the Closing Solicitors, to be held by the Receiver in trust pending further Order of the Court.

14. In the event a Purchaser fails to pay the Closing Funds to the Closing Solicitors by on or before the Closing Date as ordered in paragraph 13 hereof, other than as a result of the default of the Receiver, or in the event a Purchaser fails to comply with any one or more of its other covenants and obligations to be observed or performed under the Tender, it is hereby ordered and declared that:
 - (a) The Deposit paid by the Purchaser shall be forfeited by the Purchaser as set forth in the Offer, and shall be paid and applied as directed by the Court;
 - (b) All Closing Documents delivered to the Purchaser's Solicitors, shall be null and void, and of no force and effect whatsoever, and such Closing Documents shall be promptly returned by the Purchaser's Solicitors to the Closing Solicitors; and
 - (c) The Purchaser shall have no further interest in the Personal Property, and the Receiver shall be at liberty to market the Personal Property and to consider other offers for the purchase of the Personal Property subject to Court approval, either with or without notice to the Purchaser.
15. From and after the closing of the Transactions (including the payment of the purchase price by the Purchaser to the Receiver), the Receiver is authorized to discharge from the Personal Property Registry any claim registered against any of the Personal Property being purchased by the Purchaser, to the extent the security interest is registered against the interest of Dowland. Each of Royal Bank of Canada, Intact Insurance Company and Continental Casualty Company shall, at the request of the Receiver, provide to the Purchaser a letter confirming that it no longer holds a security interest in the Personal Property being purchased by that Purchaser, to the extent the security interest is registered against the interest of Dowland.
16. With respect to the sale of the Personal Property set out in Parcel K and Parcel L contained within Appendix B to the Receiver's Third Report, the Receiver shall delete from the sale of Personal Property proposed to Ritchie Bros. with respect to Parcel K and Parcel L, any building materials contained within any containers located on the Wainwright Project and the Drumheller Project and claimed by the Government of Canada, four Flagro heaters, any trailers and containers listed in Parcel K or Parcel L, and all drawings, binders, and other paperwork and documents related to the Projects, and the Receiver shall be entitled to negotiate with Ritchie Bros., a reasonable reduction in the proposed purchase price to take into account the deletion of these assets. The Receiver shall be entitled to reapply to this Court, on giving proper notice to any affected parties, for an Order approving the sale of the trailers and the containers.
17. The Receiver is at liberty to reapply for further advice, assistance and direction as may be necessary to give full force and effect to the terms of this Order.
18. (a) This Court requests the aid and recognition of the Courts of the Northwest Territories and Nunavut to give effect to this Order and to assist the Receiver and its agent in carrying out the terms of this Order. The Courts of the Northwest Territories and Nunavut are respectfully requested to make such Order and to provide to the Receiver, as an officer of this Court, such assistance as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

- (b) The Receiver is at liberty and is hereby authorized and empowered to apply to any Court in the Northwest Territories and Nunavut for recognition of this Order and for assistance in carrying out the terms of this Order.
19. Service of this Order may be affected upon those persons (directly or through legal counsel) on the Service List by facsimile or electronic mail, and such service shall constitute good and sufficient service. Service on any person other than as specified in the Service List is hereby dispensed with.

"Justice D. Thomas"
J.C.C.Q.B.A.

SCHEDULE "A"
TO THE ORDER OF THE ALBERTA COURT OF QUEEN'S BENCH
IN ACTION NO. 1303 06092, GRANTED AUGUST 16, 2013

PERSONAL PROPERTY

PARCEL G

LOCATION	PROPERTY DESCRIPTION	PURCHASER
Edmonton, AB	Pick up trucks, SUVs and welding trucks JCB Loaders, Genie zoom boom and scissor lifts, fork lifts and trailers Heaters, portable light towers, tools and safety equipment 26 shipping containers	Ritchie Bros. Auctioneers (Canada) Ltd.

PARCEL H

LOCATION	PROPERTY DESCRIPTION	PURCHASER
Kamloops, BC	2 CAT 320D Excavators Passenger vans and pick up trucks 8 shipping containers containing tools, equipment and materials	Ritchie Bros. Auctioneers (Canada) Ltd.

PARCEL I

LOCATION	PROPERTY DESCRIPTION	PURCHASER
Inuvik, NT	Kenworth and Mack drill rigs Preem Williams portable cement plant Mixer, water and vacuum trucks Linkbelt crane Pick up trucks John Deere Loader, CAT man lift, Genie zoom boom, Bombardier snowcats and various attachments Jobsite trailers and camp trailers Heaters, lighting trailers, generators and components Fencing, scaffolding and construction materials Tools and equipment 48 shipping containers and 5 highway trailers containing construction materials and tools Plumbing and heating materials	Tundra Drilling Services Ltd.

PARCEL J

LOCATION	PROPERTY DESCRIPTION	PURCHASER
Iqaluit, NU	John Deere loader, CAT telehandler, Genie manlift, Skyjack scissor lift, skid steer and backhoe and various attachments Pick up trucks Light towers and generators Fencing, scaffolding and construction materials Tool and equipment Shipping containers containing construction materials and tools	NCC Development Limited

PARCEL K

LOCATION	PROPERTY DESCRIPTION	PURCHASER
Wainwright, AB	Skyjack scissor lifts, Genie zoom boom, John Deere 320D Skid Steer and various attachments Skidded washer Fuel tanks, light towers and tampers Office furniture and fittings Small tools and equipment	Ritchie Bros. Auctioneers (Canada) Ltd.

PARCEL L

LOCATION	PROPERTY DESCRIPTION	PURCHASER
Drumheller, AB	Ingersoll Rand zoom boom, John Deere skid steer and attachments Lights, and fuel tank Office furniture, equipment and fittings Small tools and equipment	Ritchie Bros. Auctioneers (Canada) Ltd.

PARCEL N

LOCATION	PROPERTY DESCRIPTION	PURCHASER
Regina, SK	Bobcat skid steer, JCB 535 loader and Grove 745 crane and attachments Ford F350 pick up truck 2 shipping containers containing small tools 3 office trailers containing office equipment and furniture Light towers and fuel tanks	Ritchie Bros. Auctioneers (Canada) Ltd.

PARCEL O

LOCATION	PROPERTY DESCRIPTION	PURCHASER
Rocanville, SK	8 pick up trucks	Ritchie Bros. Auctioneers (Canada) Ltd.

	Cat zoom boom Tool trailer, flat trailer and fuel tanks 6 shipping containers	
--	--	--

PARCEL R

LOCATION	PROPERTY DESCRIPTION	PURCHASER
Terrace, BC	CAT 930 G wheel loaders 2 passenger vans, an ambulance and a flat deck truck 2 shipping containers containing tools and equipment and parts Job site work shop	Ritchie Bros. Auctioneers (Canada) Ltd.

PARCEL S

LOCATION	PROPERTY DESCRIPTION	PURCHASER
Cambridge Bay, NU	Carelift Zoom Boom, Genie manlifts, CAT 257B2 Skid Steer Ford F350 pick up truck Frostfighter heaters, light plants and tidy tanks Mobile offices and site trailers 11 shipping containers containing tools, equipment and materials	NCC Development Limited