

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  
(Real 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. Rooke dated May 6, 2013 with effect May 21, 2013 (the "Receivership Order"); AND UPON reviewing the Third Report of the Receiver together with the unfiled Bid Summary (the "Bid Summary"); AND UPON noting that Dowland Contracting Ltd. ("Dowland") is the registered owner of fee simple title and leasehold title to various lands; 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 lands described in Schedule "A" hereto (the "Lands") 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 Land 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 Lands (including all buildings and improvements) as set out in Schedule "A" hereto (the "Offer" or "Offers"), which Offers are summarized in the Bid Summary, is hereby approved and ratified.

4.

- (a) The Receiver is hereby authorized to conclude each of the transactions contemplated by the Offers with respect to Parcels A to D as set out in Schedule "A" hereto (the "Parcel A to D 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 Parcel A to D Transactions contemplated therein;

- (b) With respect to the transaction contemplated by the Offer with respect to Parcel E as set out in Schedule "A" hereto (the "Parcel E Transaction"), subject to:

- (i) all lease payments required to be paid as of the date of this Order being paid in full with respect to the terms and conditions contained in the lease registered in the Nunavut Registration District under daybook number 120,207; and
- (ii) the Receiver obtaining the consent of The Commissioner of Nunavut (or any necessary and required governing authority) to transfer to the purchaser of Parcel E all of the right, title and interest held by Dowland in the lease registered in the Nunavut Registration District under daybook number 120,207,

the Receiver is hereby authorized to conclude the Parcel E Transaction on the terms as set out in the Offer and to take all such steps and execute all such documents as may reasonably be necessary to complete the Parcel E Transaction contemplated therein; and

- (c) With respect to the transaction contemplated by the Offer with respect to Parcel F as set out in Schedule "A" hereto (the "Parcel F Transaction"), subject to:

- (i) all lease payments required to be paid as of the date of this Order being paid in full with respect to the terms and conditions contained in the lease registered in the Nunavut Registration District under daybook number 77,515; and

- (ii) the Receiver obtaining the consent of The Commissioner of Nunavut (or any necessary and required governing authority) to transfer to the purchaser of Parcel F all of the right, title and interest held by Dowland in the lease registered in the Nunavut Registration District under daybook number 77,515,

the Receiver is hereby authorized to conclude the Parcel F Transaction on the terms as set out in the Offer and to take all such steps and execute all such documents as may reasonably be necessary to complete the Parcel F Transaction contemplated therein.

(the Parcel A to D Transaction, the Parcel E Transaction and the Parcel F Transaction are collectively referred to as the "Transaction")

### **VESTING OF LANDS**

- 5. Upon the closing of each Transaction, all of Dowland's right, title and interest, in and to the Lands 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"), excepting only the Permitted Encumbrances (as defined hereinafter), 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. 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 Lands shall vest in the place and in the stead thereof in and to the net sale proceeds of the sale of the Lands, 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.
- 7. The Purchaser shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever to any Claimants in respect of any Claims they may have against Dowland or the Lands.

8. 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.
9. Nothing in this Order shall prejudice any person's *in personam* claim against Dowland.
10. The Receiver is hereby authorized and directed to:
  - (a) Perform the respective covenants in the Offer substantially in accordance with their terms and conditions, subject to such amendments as the Receiver and the Purchaser may approve which do not materially and adversely alter the Transactions, 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.
11. 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 Offer (the "Closing Documents"), on reasonable trust conditions to facilitate the Closing.
12. 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.
13. 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 12 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 Offer, 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 Lands, and the Receiver shall be at liberty to market the Lands and to consider other offers for the purchase of the Lands subject to Court approval, either with or without notice to the Purchaser.
14. Each Purchaser shall be entitled to present a certified copy of this Order, together with written advice from Miller Thomson LLP that the Purchaser is entitled to register this Order,

to the Registrar of Land Titles for either the Northwest Territories or Nunavut (as the case may be) (the "Registrar"), and upon being presented with the same, the Registrar is hereby authorized, requested, and directed to cancel the existing Certificate(s) of Title to the Lands and to issue a new Certificate(s) of Title for the Lands in the name of the Purchaser as set out in Schedule "A" hereto (or their nominee), at the mailing address as set out in Schedule "A" hereto, which Certificate(s) of Title shall be subject only to those registrations (the "Permitted Encumbrances") listed on Schedule "A" hereto.

15. 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.
16.
  - (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.
17. Service of this Order may be effected 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.

  
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**

**LANDS AND PERMITTED ENCUMBRANCES**

**Lands located at or near Inuvik, Northwest Territories**

**Parcel A – Main Office, Workshops, Warehouse and Yard**

<b>LEGAL DESCRIPTION</b>	<b>PERMITTED ENCUMBRANCES</b>	<b>PURCHASER</b>
Fee Simple Lot 16 Block 49 Plan 633 Inuvik	NONE	Tundra Drilling Services Ltd. PO Box 2186 Inuvik, NWT X0E 0T0
Fee Simple Lot 17 Block 49 Plan 633 Inuvik	POWER OF ATTORNEY, REGISTRATION NUMBER 58,150	Tundra Drilling Services Ltd. PO Box 2186 Inuvik, NWT X0E 0T0

**Parcel B – Tundra Building and Yard**

<b>LEGAL DESCRIPTION</b>	<b>PERMITTED ENCUMBRANCES</b>	<b>PURCHASER</b>
Fee Simple Lot 21 Block 49 Plan 633 Inuvik	NONE	Tundra Drilling Services Ltd. PO Box 2186 Inuvik, NWT X0E 0T0
Fee Simple Lot 22 Block 49 Plan 633 Inuvik	NONE	Tundra Drilling Services Ltd. PO Box 2186 Inuvik, NWT X0E 0T0

**Parcel C – Upper Yard**

<b>LEGAL DESCRIPTION</b>	<b>PERMITTED ENCUMBRANCES</b>	<b>PURCHASER</b>
Fee Simple Lot 1 Block 97 Plan 3820 Inuvik	NONE	1742860 Alberta Ltd. 156 Canniff Place SW Calgary, AB T2W 2L7
Fee Simple Lot 2 Block 97 Plan 3820 Inuvik	NONE	1742860 Alberta Ltd. 156 Canniff Place SW Calgary, AB T2W 2L7
Fee Simple Lot 3 Block 97 Plan 3820 Inuvik	NONE	1742860 Alberta Ltd. 156 Canniff Place SW Calgary, AB T2W 2L7
Fee Simple Lot 4 Block 97 Plan 3820 Inuvik	NONE	1742860 Alberta Ltd. 156 Canniff Place SW Calgary, AB T2W 2L7
Fee Simple Lot 5 Block 97 Plan 3820 Inuvik	NONE	1742860 Alberta Ltd. 156 Canniff Place SW Calgary, AB T2W 2L7
Fee Simple Lot 6 Block 97 Plan 3820 Inuvik	NONE	1742860 Alberta Ltd. 156 Canniff Place SW Calgary, AB T2W 2L7
Fee Simple Lot 11 Block 97 Plan 3820 Inuvik	NONE	1742860 Alberta Ltd. 156 Canniff Place SW Calgary, AB T2W 2L7
Fee Simple Lot 12 Block 97 Plan 3820 Inuvik	NONE	1742860 Alberta Ltd. 156 Canniff Place SW Calgary, AB T2W 2L7

<b>Fee Simple Lot 13 Block 97 Plan 3820 Inuvik</b>	<b>NONE</b>	<b>1742860 Alberta Ltd. 156 Canniff Place SW Calgary, AB T2W 2L7</b>
<b>Fee Simple Lot 14 Block 97 Plan 3820 Inuvik</b>	<b>NONE</b>	<b>1742860 Alberta Ltd. 156 Canniff Place SW Calgary, AB T2W 2L7</b>
<b>Fee Simple Lot 15 Block 97 Plan 3820 Inuvik</b>	<b>NONE</b>	<b>1742860 Alberta Ltd. 156 Canniff Place SW Calgary, AB T2W 2L7</b>
<b>Fee Simple Lot 16 Block 97 Plan 3820 Inuvik</b>	<b>NONE</b>	<b>1742860 Alberta Ltd. 156 Canniff Place SW Calgary, AB T2W 2L7</b>

Parcel D – Inuvik Residences

LEGAL DESCRIPTION	PERMITTED ENCUMBRANCES	PURCHASER
Fee Simple Lot 5 Block 47 Plan 564 Inuvik Subject to sections 13 to 16 and 19 of the <i>Territorial Lands Act</i> , as set for in Instrument of Grant registered under daybook number 116,240	NONE	1742860 Alberta Ltd. 156 Canniff Place SW Calgary, AB T2W 2L7
Fee Simple Lot 6 Block 47 Plan 564 Inuvik Subject to sections 13 to 16 and 19 of the <i>Territorial Lands Act</i> , as set for in Instrument of Grant registered under daybook number 116,240	NONE	1742860 Alberta Ltd. 156 Canniff Place SW Calgary, AB T2W 2L7

**Lands located at or near Iqaluit, Nunavut**

**Parcel E – Iqaluit Building and Yard**

<b>LEGAL DESCRIPTION</b>	<b>PERMITTED ENCUMBRANCES</b>	<b>PURCHASER</b>
Leasehold Estate Lot 7 Block 228 Plan 3586 Iqaluit	NONE	Qikiqtaaluk Corporation 922 Niaqunngusiaq Road PO Box 1228 Iqaluit, NU X0A 0H0

**Parcel F– Iqaluit Residence**

<b>LEGAL DESCRIPTION</b>	<b>PERMITTED ENCUMBRANCES</b>	<b>PURCHASER</b>
Leasehold Estate Lot 784 Plan 1827 Iqaluit	NONE	Susan Gardiner Box 414 Iqaluit, NU X0A 0H0