

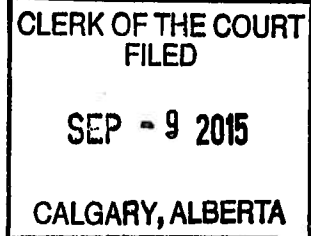
COURT FILE NUMBER 1301-07419

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF TAKODA RESOURCES INC.

DEFENDANT IMPACT 2000 INC.



IN THE MATTER OF THE RECEIVERSHIP OF
IMPACT 2000 INC.

APPLICANT ALVAREZ & MARSAL CANADA INC.. in its
capacity as Court-appointed Receiver and
Manager of the assets, undertakings and property
of IMPACT 2000 INC.

DOCUMENT **APPLICATION**

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT

Norton Rose Fulbright Canada LLP
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Calgary, Alberta T2P 4H2
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Fax: +1 403.264.5973
Email: kyle.kashuba@nortonrosefulbright.com

Attention: Kyle D. Kashuba
File No. 01024275-0001

NOTICE TO RESPONDENT(S):

This Application is made against you. You are a Respondent.

You have the right to state your side of this matter before the Master/Judge.

To do so, you must be in Court when the Application is heard as shown below:

Date: Monday, September 14, 2015
Time: 10:00 a.m.
Where: Calgary Courts Centre
Before Whom: The Honourable Madam Justice C. Dario, of the Commercial List

Go to the end of this document to see what else you can do and when you must do it.

Remedy claimed or sought:

1. Abridging, if necessary, the time for service of this Application and deeming service to be good and sufficient.
2. An Order in substantially the same form as that attached as Schedule "A" to this Application, granting the following relief and directions:
 - 2.1 discharging Alvarez & Marsal Canada Inc. ("**A&M**") in its capacity as Court-appointed receiver and manager (the "**Receiver**") of the assets, undertakings and property ("**Property**") of the Defendant, Impact 2000 Inc. ("**Impact**") upon the conclusion of the Trustee's remaining administrative duties as described in the Receiver's First Report filed with this Honourable Court on September 9, 2015 (the "**First Report**");
 - 2.2 the review and approval of the professional fees, receipts and disbursements of the Receiver and those of the Receiver's legal counsel;
 - 2.3 approving the Receiver's actions and those of its legal counsel to date;
 - 2.4 authorizing the Receiver to dispose of all of Impact's remaining books and records on or after September 30, 2014, unless the Receiver in its discretion delivers the said books and records to a party entitled to the same, as discussed in the First Report;
 - 2.5 authorizing the Receiver to withhold sufficient funds to pay for the storage, transfer and disposal of Impact's remaining books and records;
 - 2.6 authorizing the Receiver to pay the remaining funds in the receivership estate, as set out in then the First Report to Takoda Resources Inc. ("**Takoda**"), as a final distribution in partial satisfaction of amounts owing by Impact to Takoda, as Takoda provided monies through two Receiver's Certificates and is the first position secured creditor over the Property of Impact;
 - 2.7 discharging Alvarez & Marsal Canada Inc. as Receiver of the Property of Impact upon the conclusion of the remaining administrative duties as described in the First Report; and
 - 2.8 granting leave to the Receiver to apply to this Court for advice and directions as may be necessary to carry out the terms of the Order sought.
3. A Sale Approval and Vesting Order in substantially the same form as that attached as Schedule "B" to this Application, granting the following relief and directions:
 - 3.1 authorizing, approving and ratifying the sale transaction between the Receiver and Seitel Canada Ltd. ("**Seitel**" or the "**Purchaser**"), as described in the First Report;
 - 3.2 approving the actions of the Receiver, and in particular, approving the Receiver's sale process that has been undertaken;

- 3.3 authorizing and directing the Receiver to take such steps and execute all such deeds, documents and instruments as may be reasonably necessary to consummate the transaction as contemplated with Seitel (collectively, the "**Transaction**");
 - 3.4 vesting Impact's right, title and interest, in and to the Data (as that term is described and defined in the First Report) to be sold to Seitel, free from all claims and encumbrances;
 - 3.5 authorizing and directing the Receiver to deliver to Seitel, at the closing of the Transaction, an instrument of transfer of the Data, signed by the Receiver, along with any conveyances necessary to convey title of the Data to Seitel or Seitel's nominee;
 - 3.6 directing that upon the closing of the sale of the Data to Seitel, the Receiver shall pay from the proceeds of the in accordance with the proposed final distribution as discussed in the First Report; and
 - 3.7 granting leave to the Receiver to apply or reapply to this or any court or administrative body in any province of Canada for advice, assistance and directions as may be necessary to carry out the terms of the Order sought.
4. Such further and other relief, advice and directions as counsel may advise and this Honourable Court may deem just and appropriate.

Grounds for making this Application:

i. Discharge of the Receiver

- 5. On November 2, 2011, Impact sought protection from its creditors through filing a Notice of Intention to Make a Proposal under section 50.4(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 ("**BIA**"), and a stay of proceedings was obtained on that date. A&M was named as proposal trustee.
- 6. On May 3, 2013, Impact was deemed to have filed an assignment into bankruptcy as it was unable to lodge a proposal with its creditors and the official receiver within the allotted time frame pursuant to section 50.4(8) of the BIA. A&M was appointed as trustee in bankruptcy.
- 7. On June 20, 2013, A&M was appointed the Receiver over the Property of Impact by Order of the Honourable Madam Justice K.M. Horner (the "**Receivership Order**").
- 8. The Receiver has reviewed the security of the Plaintiff, Takoda, and has determined that Takoda is the first position secured creditor over the Impact Property.

9. The Receiver has completed, or is about to complete, all aspects concerning the administration of this receivership.
10. The disposal of Impact's books and records as proposed is necessary, just and appropriate, and in the best interest of the receivership estate and the stakeholders affected thereby.
11. All of the actions in respect of the fees and disbursements incurred by the Receiver and its legal counsel during the course of the administration of the within proceeding are reasonable, have been validly incurred in connection with the conduct of the Receiver's obligations herein, and have now been or are about to be completed.
12. The Receiver is not aware of any reason that they should be required for any further purposes herein, and should be discharged as Receiver of the Property of Impact upon the conclusion of the remaining administrative duties.
13. The Receiver and Takoda support this Application.
14. The discharge of the Receiver, the final distribution to Takoda, and the distribution of net sale proceeds to Takoda as proposed in the First Report are just, appropriate and in the best interest of the administration of the receivership estate and the stakeholders affected thereby.

ii. Sale Approval and Vesting Order

15. Pursuant to the terms of the Receivership Order, and in particular subparagraphs 3(l)(i) and (ii) thereof, the Receiver is entitled to sell, convey, transfer, lease or assign the Debtor's Property, or any part or parts thereof, out of the ordinary course of business without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$100,000 and, with the approval of this Court in respect of any transaction in which the purchase price exceeds \$50,000 or the aggregate consideration for all such transaction exceeds \$100,000.
16. The Receiver has duly attempted to market and arrange for a sale of the Impact Property (and in particular and most recently, the Data, which is comprised of seismic data), in compliance with the Receivership Order, as set out and described in the First Report.

17. The Receiver has entered into an agreement for sale of the Data to Seitel, which is subject to the approval of this Honourable Court.
18. The sales process and manner in which offers have been received has been fair, with the interests of all parties being considered, and the Receiver has made significant efforts to obtain the best price for the Data.
19. The sale of the Data described in the First Report, and the utilization of sale proceeds as proposed, are just, appropriate and in the best interest of the administration of the receivership estate and the stakeholders affected thereby.
20. The terms as set out in the proposed form of Order attached hereto as Schedule "B" are necessary to effect the sale of the Data as contemplated by the Receiver and Seitel.
21. Takoda supports the proposed sale of the Data to Seitel.
22. Such further and other grounds as counsel may advise and this Honourable Court may permit.

Material or evidence to be relied on:

23. All pleadings, proceedings, affidavits, orders and materials filed in the within action and the bankruptcy proceedings of Impact in Court of Queen's Bench of Alberta Court/Estate No. 25-094321.
24. The Receivership Order and the materials filed in support thereof.
25. The reports of the Receiver filed in the within proceedings and in the bankruptcy proceedings of Impact, and in particular, the First Report.
26. The proposed forms of Orders attached hereto as Schedule "A" and Schedule "B".
27. The inherent jurisdiction of this Honourable Court to control its own process.
28. Such further and other material and evidence as counsel may advise and this Honourable Court may permit.

Applicable rules:

29. Part 6, Division 7, and in particular Rule 6.47(e) and (f), and Rules 6.3 and 13.21(3)(c).

Applicable Acts and regulations:

30. *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended, and the *Judicature Act*, RSA 2000, c J-2, as amended, and such further and other Rules, Acts and Regulations as counsel may advise and that this Honourable Court may permit.

Any irregularity complained of or objection relied on:

31. None.

How the Application is proposed to be heard or considered:

32. Oral submissions by counsel at an Application in Commercial List Justice Chambers as agreed and scheduled by counsel, before the Honourable Madam Justice C. Dario at the Calgary Courts Centre, 601 - 5th Street SW, at Calgary, Alberta, on Monday, September 14, 2015 at 10:00 a.m. or as soon thereafter as counsel may be heard.

AFFIDAVIT EVIDENCE IS REQUIRED IF YOU WISH TO OBJECT.**WARNING**

If you do not come to Court either in person or by your lawyer, the Court may give the Applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this Application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the Application is heard or considered, you must reply by giving reasonable notice of the material to the Applicant.

**Schedule "A" to the Application filed September 9, 2015
in Action Number 1301-07419**

COURT FILE NUMBER 1301-07419

Clerk's Stamp

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF TAKODA RESOURCES INC.

DEFENDANT IMPACT 2000 INC.

IN THE MATTER OF THE RECEIVERSHIP OF
IMPACT 2000 INC.

APPLICANT ALVAREZ & MARSAL CANADA INC. in its
capacity as Court-appointed Receiver and
Manager of the assets, undertakings and property
of IMPACT 2000 INC.

DOCUMENT **ORDER (Discharge of the Receiver)**

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT Norton Rose Fulbright Canada LLP
400 3rd Avenue SW, Suite 3700
Calgary, Alberta T2P 4H2
Phone: +1 403.267.8222
Fax: +1 403.264.5973
Email: kyle.kashuba@nortonrosefulbright.com

Attention: Kyle D. Kashuba
File No. 01024275-0001

DATE UPON WHICH ORDER WAS PRONOUNCED: Monday, September 14, 2015

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Madam Justice C. Dario

LOCATION OF HEARING: Calgary, Alberta

UPON THE APPLICATION of Alvarez & Marsal Canada Inc. in its capacity as Court-appointed receiver and manager (the "**Receiver**") of the assets, undertakings and property ("**Property**") of the Defendant, Impact 2000 Inc. ("**Impact**"); **AND UPON** having read the pleadings, proceedings, orders and other materials filed in this action, including the First Report of the Receiver, filed September 9, 2014 (the "**First Report**"); **AND UPON** hearing counsel for

the Receiver, the Plaintiff Takoda Resources Inc. ("**Takoda**") and from any other interested parties who may be present; **AND UPON** it appearing that all interested and affected parties have been served with notice of this Application; **AND UPON** it appearing that the relief requested is just, fair and appropriate in all the circumstances and in the best interests of the administration of the receivership estate;

THE COURT IS CONVINCED AND HEREBY ORDERS AND DECLARES THAT:

Service:

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

Discharge of the Receiver:

2. The Receiver is hereby authorized to have all of Impact's remaining books and records disposed of on or after September 30, 2014, unless the Receiver in its discretion delivers the said books and records to a party entitled to the same, as proposed in the First Report.
3. The Receiver is hereby authorized to withhold sufficient funds to pay for the storage, transfer and disposal of Impact's remaining books and records.
4. The professional fees, receipts and disbursements of the Receiver and those of its legal counsel are hereby approved.
5. The Receiver is hereby authorized to pay any remaining professional fees up to the discharge of the Receiver.
6. The Receiver's reported actions and those of its legal counsel to date in respect of administering the receivership and as described in the Receiver's First Report to the Court filed in this matter are hereby approved.

7. Upon the completion of the steps necessary to finalize the administration of the receivership estate, Alvarez & Marsal Canada Inc. is hereby unconditionally and absolutely discharged as Receiver of the Property of Impact, and all duties, responsibilities and obligations connected therewith.
8. On the evidence before the Court, the Receiver has satisfied its obligations under and pursuant to the terms of the orders granted in the within proceeding up to and including the date hereof, and Alvarez & Marsal Canada Inc., in its capacities as set forth in these proceedings, shall not be liable for any act or omission on its part, or any reliance thereon, including without limitation, any act or omission pertaining to the discharge of its duties in these proceedings from time to time or with respect to any other duties or obligations, save and except for in cases of fraud, gross negligence or wilful misconduct on its part, or with leave of the Court as referred to in paragraph 9 of this Order. Subject to the foregoing, any claims against the Receiver in connection with the performance of its duties are hereby stayed, extinguished and forever barred.
9. No action or other proceeding shall be commenced against Alvarez & Marsal Canada Inc. in any way arising from or related to its capacity or conduct as Receiver, except with prior leave of this Court on notice to the Receiver and upon such terms as the Court may direct.
10. The Receiver is at liberty to reapply for further advice, assistance and direction as may be necessary to give full force and effect to, and in carrying out the terms of, this Order.
11. Service of this Order may be effected by sending a copy of this Order by email, facsimile transmission or by registered mail to the parties served with notice of this Application and to the parties we were in attendance at this Application, and further service of this Order is hereby dispensed with.

Justice of the Court of Queen's Bench of Alberta

**Schedule "B" to the Application filed September 9, 2015
in Action Number 1301-07419**

COURT FILE NUMBER 1301-07419

Clerk's Stamp

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF TAKODA RESOURCES INC.

DEFENDANT IMPACT 2000 INC.

IN THE MATTER OF THE RECEIVERSHIP OF
IMPACT 2000 INC.

APPLICANT ALVAREZ & MARSAL CANADA INC. in its
capacity as Court-appointed Receiver and
Manager of the assets, undertakings and property
of IMPACT 2000 INC.

DOCUMENT **SALE APPROVAL AND VESTING ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
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Calgary, Alberta T2P 4H2
Phone: +1 403.267.8222
Fax: +1 403.264.5973
Email: kyle.kashuba@nortonrosefulbright.com

Attention: Kyle D. Kashuba
File No. 01024275-0001

DATE UPON WHICH ORDER WAS PRONOUNCED: Monday, September 14, 2015

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Madam Justice C. Dario

LOCATION OF HEARING: Calgary, Alberta

UPON THE APPLICATION of Alvarez & Marsal Canada Inc. in its capacity as Court-appointed receiver and manager (the "**Receiver**") of the assets, undertakings and property ("**Property**") of the Defendant, Impact 2000 Inc. ("**Impact**"); **AND UPON** having read the pleadings, proceedings, orders and other materials filed in this action, including the First Report of the Receiver, filed September 9, 2014 (the "**First Report**"); **AND UPON** hearing counsel for the Receiver, the Plaintiff Takoda Resources Inc. ("**Takoda**") and from any other interested

parties who may be present, including the Purchaser (as that term is defined below); **AND WHEREAS** all capitalized terms not defined herein shall take the meaning ascribed to them in the First Report; **AND UPON IT APPEARING** that the sale of the Data (as that term is defined in the First Report) as proposed is just, fair and appropriate in all the circumstances; **AND UPON** it appearing that all interested and affected parties have been served with notice of this Application; **AND UPON** it appearing that the relief requested is just, fair and appropriate in all the circumstances and in the best interests of the administration of the receivership estate;

THE COURT IS CONVINCED AND HEREBY ORDERS AND DECLARES THAT:

Service:

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

Approval of Transaction:

1. The sale transaction between the Receiver and Seitel Canada Ltd. ("**Seitel**" or the "**Purchaser**") pertaining to the Data (as that term is described and defined in the First Report) is hereby approved and ratified, and it is hereby declared that the sale transaction to Seitel is commercially reasonable.
2. The Receiver is authorized and directed to conclude the transaction contemplated with Seitel (the "**Transaction**") and to take all such steps and execute all such deeds, documents and instruments as may reasonably be necessary to consummate the Transaction contemplated therein substantially in accordance with its terms, subject to such amendments as the parties thereto may approve which do not materially and adversely alter the Transaction.

Vesting of Property:

3. Upon the closing of the sale to Seitel, all purchase monies due and owing in respect of such sale have been tendered to the Receiver, then:
 - (a) the Data shall be vested in the name of the Purchaser, free of all estate, right, title, interest, royalty, rental, and equity of redemption of Impact and all persons who claim by, through or under Impact in respect of the Data;

- (b) Impact and all persons who claim by, through or under Impact in respect of the Data, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Data and, to the extent that any such person remains in possession or control of any of the Data, they shall forthwith deliver possession of same to the Purchaser or its nominee; and
 - (c) the Purchaser shall be entitled to enter into and upon, hold and enjoy the Data for its own use and benefit without any interference of or by Impact, or any person claiming by or through or under Impact.
4. Upon closing of the Transaction, all of Impact's interests in the Data shall vest in the Purchaser free and clear from all security interests, claims, estate, security, 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, encumbrances or other rights, limitations or restrictions of any nature whatsoever, against Impact including without limitation any rights or interests of any of the stakeholders or creditors of Impact, 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**"), whether such Claims against Impact 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 a 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 agents, trustees, executives, administrators or other legal representatives (collectively, the "**Claimants**"), including for greater certainty and without limiting the generality of the foregoing: (i) any Claims held by or in favour of the individuals and entities served (either directly or through their solicitors) with this Application; and (ii) the beneficiary of any Claims created or provided for pursuant to any previous Order in these proceedings, are extinguished, released and forever discharged.
5. For greater certainty, the Purchaser shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever to any Claimants to the Data or against Impact or the Receiver.

6. Upon the closing of the sale of the Data to Seitel, the Receiver shall pay from the proceeds of the sale in accordance with the proposed final distribution as discussed in the First Report.
7. The Transaction shall not be void or voidable at the instance of Claimants and shall not constitute nor shall be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance or other challengeable or reviewable transaction under the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended or any other applicable federal or provincial legislation, and the Transaction, or any actions taken in connection therewith, shall not constitute conduct meriting an oppression remedy.
8. This Honourable Court hereby requests the aid and recognition of any court or administrative body in any province of Canada, the Federal Court of Canada, any administrative tribunal or other court constituted pursuant to the Parliament of Canada or any of its provinces or territories and any federal or state court or administrative body or any other foreign courts to act in aid of and to be complimentary to this Court in carrying out the terms of this Order.
9. This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by facsimile, electronic mail, personal delivery or courier and, if served by facsimile or courier, service is deemed to be effected the next business day following the transmission or delivery of such documents.
10. Service of this Order may be effected by sending a copy of this Order by email, facsimile transmission or by registered mail to the parties served with notice of this Application and to the parties we were in attendance at this Application, and further service of this Order is hereby dispensed with.
11. 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.

Justice of the Court of Queen's Bench of Alberta