

COURT FILE NUMBER Q.B. No. 773 of 2021
COURT OF QUEEN'S BENCH FOR SASKATCHEWAN
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE SASKATOON
APPLICANT ABBEY RESOURCES CORP.



IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT, RSC*
1985, c C-36, AS AMENDED (THE "CCAA")

AND

IN THE MATTER OF A PROPOSED PLAN OF ARRANGEMENT FOR THE
CREDITORS OF ABBEY RESOURCES CORP. (THE "APPLICANT")

ORDER

(Sale Approval and Vesting Order)

Before the Honourable Mr. Justice G.A. Meschishnick in Chambers the 7th day of October, 2021.

Upon application by counsel on behalf of the Applicant, and upon hearing Jerritt Pawlyk and Kevin Hoy, counsel for the Applicant, and upon hearing Ian A. Sutherland, counsel for MNP Ltd. (the "**Monitor**"), and upon hearing from counsel present on behalf of any other interested parties, and upon reading the pleadings and materials filed in the within proceeding:

The Court Orders:

SERVICE

1. Service of the Notice of Application on behalf of the Applicant and the materials filed in support thereof (collectively, the "**Application Materials**") shall be and is hereby deemed to be good and valid and, further, shall be and is hereby abridged, such that service of such Application Materials is deemed to be timely and sufficient.

APPROVAL OF TRANSACTION

2. The sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Applicant and **Steel Reef Infrastructure Corporation** (the "**Purchaser**") for the sale to the Purchaser (or its nominee) of the Applicant's right, title and interest in and to the assets listed in **Schedule "B"** hereto (the "**Purchased Assets**") in exchange for the purchase price of Sixty-Five Thousand (\$65,000) Dollars, exclusive of any applicable sales taxes, (the "**Purchase Price**") is declared to be commercially reasonable and in the best interests of the Applicant and its creditors and other stakeholders and is hereby authorized and approved.
3. The Applicant is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable (including any steps necessary or desirable to satisfy and/or comply with any applicable laws, regulations or orders of any courts, tribunals, regulatory bodies or administrative bodies in any jurisdiction in which the Purchased Assets may be located) for the completion of the Transaction or for the conveyance of the Purchased Assets to the Purchaser (or its nominee), subject to such amendments as the Applicant and the Purchaser may agree upon, provided that any such amendments do not materially affect the Purchase Price.

VESTING OF PROPERTY

4. Upon the Monitor receiving the Purchase Price, net of any commissions or brokerage fees, and determining that the Proposed Sale has closed to its satisfaction and on terms substantially as approved by this Honourable Court pursuant to this Order, the Monitor shall deliver to the Purchaser (or its nominee) a Monitor's certificate substantially in the form set out in **Schedule "A"** hereto (the "**Monitor's Certificate**").
5. The Monitor may rely on written notices from the Purchaser regarding fulfillment or, if applicable, waiver of conditions to closing of the Proposed Sale under the Sale Agreement and shall have no liability with respect to the delivery of the Monitor's Certificate.
6. Upon delivery of the Monitor's Certificate all of the Applicant's right, title and interest in and to the Purchased Assets described listed on **Schedule "B"** hereto shall, save and except for the encumbrances listed in **Schedule "C"** hereto (the "**Permitted Encumbrances**"), vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, interests, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, judgments, enforcement charges, levies, charges, or other financial or monetary claims (collectively, "**Encumbrances**") and all rights of others, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing:
 - (a) any encumbrances or charges created by the August 13, 2021, Initial Order granted in these proceedings;
 - (b) all charges, security interests or claims evidenced by registrations pursuant to *The Personal Property Security Act, 1993* SS 1993, c P-6.2, or any other personal property registry system; and
 - (c) those Encumbrances listed in **Schedule "D"** hereto;and, for greater certainty, this Court orders that all of the Encumbrances (save and except for the Permitted Encumbrances) affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.
7. Upon delivery of the Monitor Certificate to the Purchaser, the Monitor or the Applicant shall be and is hereby authorized to effect such discharges or revisions in the Saskatchewan Personal Property Registry as may be reasonably required to conclude the Transaction.
8. For the purposes of determining the nature and priority of the Encumbrances:
 - (a) the net proceeds from the sale of the Purchased Assets (the "**Net Sale Proceeds**") shall stand in the place and stead of the Purchased Assets and be held in trust by the Monitor until further order of the Court; and
 - (b) from and after the delivery of the Monitor's Certificate to the Purchaser, all Encumbrances and all rights of others shall attach to the Net Sale Proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to closing of the Transaction.
9. The Purchaser (and its nominee, if any) shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against the Applicant.

10. The Applicant and all persons who claim by, through or under the Applicant in respect of the Purchased Assets, save and except for the persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Purchased Assets and, to the extent that any such person remains in possession or control of any of the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).
11. The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Applicant, or any person claiming by or through or against the Applicant.
12. Immediately after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Monitor or the Applicant.
13. Forthwith after the delivery of the Monitor's Certificate to the Purchaser (or its nominee), the Monitor shall file a copy of the Monitor's Certificate with the Court, and shall serve a copy of the Monitor's Certificate on the recipients listed in the Service List maintained with respect to these proceedings.
14. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, SC 2000, c 5, the Applicant and the Monitor are hereby authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Applicant's records pertaining to the Applicant's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Applicant.
15. Notwithstanding:
 - a) the pendency of these proceedings;
 - b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Applicant and any bankruptcy order issued pursuant to such applications;
 - c) any assignment in bankruptcy made in respect of the Applicant; and
 - d) the provisions of any federal statute, provincial statute or any other law or rule of equity,

the vesting of any of the Purchased Assets in the Purchaser (or its nominee) pursuant to this Order and the obligations of the Applicant under the Sale Agreement, shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicant and shall not be void or voidable by creditors of the Applicant, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.
16. The Transaction is exempt from any requirement under any applicable federal or provincial law to obtain shareholder approval and is exempt from the application of any bulk sales legislation in any Canadian province or territory.

MISCELLANEOUS MATTERS

- 17. The Applicant, the Monitor, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction, including, without limitation, an application to the Court to deal with interests which are registered against title to the Real Property after the time of the granting of this Order.
- 18. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Monitor and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders as to provide such assistance to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Monitor and its agents in carrying out the terms of this Order.
- 19. Service of this Order on any party not attending this application is hereby dispensed with. Parties attending this application shall be served in accordance with the Electronic Case Information and Service Protocol adopted in the Initial Order.

ISSUED at Saskatoon, Saskatchewan, this 14th day of October, 2021.



(Deputy) Local Registrar

CONTACT INFORMATION AND ADDRESS FOR SERVICE

Name of Firm:	DLA PIPER (CANADA) LLP
Name of lawyer in charge of file:	Jerritt R. Pawlyk / Kevin Hoy
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SCHEDULE "A"

FORM OF MONITOR'S CERTIFICATE

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JUDICIAL CENTRE SASKATOON

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RECITALS

- A. Pursuant to an Order of the Honourable Mr. Justice G.A. Meschishnick of the Court of Queen's Bench of Saskatchewan (the "**Court**") dated August 13, 2021, **MNP Ltd.** was appointed monitor (the "**Monitor**") of the assets, undertakings and property of Abbey Resources Corp. (the "**Applicant**") in the proceedings of the Applicant before the Court pursuant to the CCAA.
- B. Pursuant to an Order of the Court dated October 7, 2021, the Court approved the agreement of purchase and sale made between the Applicant and Steel Reef Infrastructure Corporation (the "**Purchaser**") and provided for the vesting in the Purchaser of the Applicant's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Monitor to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; and (ii) the Transaction has been completed to the satisfaction of the Monitor.

THE MONITOR CERTIFIES the following:

1. The Purchaser (or its nominee) has paid and the Monitor has received the Purchase Price, net of any commissions or brokerage fees, for the Purchased Assets;
2. The Transaction has been completed to the satisfaction of the Monitor; and
3. This Certificate was delivered by the Monitor at _____ on _____.

**MNP LTD. in its capacity as Monitor in
the CCAA proceedings of ABBEY RESOURCES
CORP. and not in its personal capacity**

Per; _____
Name: Victor Kroeger, CIRP, LIT, CPA, CA, CFE
Title: Senior Vice President

SCHEDULE "B"
PURCHASED ASSETS

- GE Jenbacher J312GS,,CSA Natural Gas Engine, Engine no. 4504351

SCHEDULE "C"
PERMITTED ENCUMBRANCES

- NIL

SCHEDULE "D"
ENCUMBRANCES TO BE DISCHARGED

- NIL