

**ALKEN BASIN DRILLING LTD.**

**Notice of Court Ordered Sales Process**  
**For Prospective Purchasers**

## INTRODUCTION

Alken Basin Drilling Ltd. (“**Alken**”), headquartered in Red Deer, Alberta, specializes in the drilling and managing output of water wells, source wells, disposal wells, oil and gas wells, surface casing presets, pile pre-drilling and well tests across Western Canada.

Range Corporate Advisors Inc. (“**Range**”) is a management consultant retained by Alken. On the advice of Range, Alken retained MNP Ltd. (“**MNP**”) on March 16, 2016 as financial advisor (the “**Advisor**”) to assist Range in carrying out a sales and marketing process on behalf of Alken (the “**Sales Process**”) in respect of the assets, undertakings and property of Alken (collectively, the “**Assets**”).

Callidus Capital Corporation, the principal secured creditor of Alken, has filed an application with the Court of Queen’s Bench of Alberta requesting an order appointing MNP as receiver (MNP, in such capacity, the “**Receiver**”, and such Order, the “**Receivership Order**”) of the assets, undertakings and property of Alken and approving the Sales Process (the “**Sales Order**”). Upon the appointment of the Receiver, the Receiver will carry out the Sales Process in place of the Advisor.

Range hereby gives notice of the pending Receivership Order and the Sales Order, and of the Sales Process which will be carried out by the Advisor and the Receiver under and in accordance with the Sales Order. Pursuant to the Sales Order, the Advisor will be soliciting offers to purchase the Assets *en bloc*, which consist primarily of various water well rigs, bed and winch trucks, vacuum equipment, steamer trucks and picker equipment. The Assets are located at its facility in Red Deer, Alberta.

## LIMITATIONS

To facilitate the Sales Process, the Advisor has prepared an Information Memorandum (“**IM**”). All information in the IM has been prepared solely for the convenience of prospective purchasers and has not been audited or otherwise verified by the Advisor. The IM is incorporated in and forms part of the Sales Order.

As specified in the IM, the Advisor does not make any representations or warranties as to the accuracy or completeness of the IM and shall have no liability for any representations (be they expressed or implied) or omissions contained herein nor in any other written or oral communications transmitted to prospective purchasers in the course of the evaluations of the assets. Furthermore, the information provided in the IM may not contain all of the information a prospective purchaser may require and therefore, prospective purchasers should conduct their own investigations, analysis and due diligence relating to Alken’s assets and any of the information contained in the IM.

## THE SALES PROCESS

The following are the times within which steps must be accomplished in the Sales Process pursuant to the Orders:

Process Stage	Timing
Information Summary sent to interested parties	Commencing March 21, 2016
IM sent to interested parties who have signed a Confidentiality Agreement ("CA") with the Advisor	Commencing March 21, 2016
Tours of facility in Red Deer, by appointment only on Mondays to Fridays	March 21, 2016 to April 13, 2016
Deadline for Offers to Purchase	April 13, 2016 at 5:00 pm (MST)
Selection of successful Offer to Purchase	April 14, 2016 (EST)
Court approval of sale	April 29, 2016 (EST)
Closing	May 29, 2016 (EST)

The Advisor has formulated specific transaction procedures that are included in the Terms and Conditions of Sale included in the IM. However, the Advisor and the Receiver (upon its appointment) reserve the right to:

- Amend or terminate the sales procedures during the Sales Process
- Accept an offer to purchase that may not necessarily be the highest bid
- Negotiate with one or more prospective purchasers at any time
- Set a minimum offer price for any of the Assets
- Enter into a definitive transaction agreement without prior notice to other prospective purchasers at any time during the Sales Process
- Not accept any offers to purchase

To receive a copy of the IM, please return contact the Advisor at:

MNP Ltd. in its capacity as Financial Advisor to  
Alken Basin Drilling Ltd.  
500, 10104 103 Ave NW  
Edmonton, AB T5J 0H8

Attn: Evan MacKinnon  
Tel: 780.733.8651  
Fax: 780.409.5415  
Email: evan.mackinnon@mnp.ca

**Offers to Purchase must be sent by courier, fax or email so as to be received by the Receiver no later than 5:00pm (MDT) April 13, 2016**