

COURT FILE NUMBER Q.B. No. 900 of 2016

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE SASKATOON

PLAINTIFF ALBERTA TREASURY BRANCHES

DEFENDANT TUSCANY ENERGY LTD.

IN THE MATTER OF THE RECEIVERSHIP OF TUSCANY ENERGY LTD.

NOTICE OF APPLICATION

(Distribution and Discharge of Receiver)

**NOTICE TO RESPONDENTS — ALL PARTIES NAMED ON THE SERVICE LIST ESTABLISHED
IN THESE PROCEEDINGS**

This application is made against you. You are a respondent. You have the right to state your side of this matter before the Court.

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

Where	Court House, 520 Spadina Crescent East, Saskatoon, SK
Date	Tuesday, March 7, 2017
Time	9:00 a.m. Saskatchewan time

Remedy claimed or sought:

Abridgment of Service

1. To the extent necessary, an Order abridging the time for service of this Notice of Application, the Second Report of the Receiver dated February 23, 2017 (the "**Second Report**"), a Draft Order, and any other materials filed in support thereof (collectively, the "**Application Materials**"), such that service of such Application Materials shall be deemed to be good, valid and timely.

Approval of the Receipts and Disbursements of the Receiver and its Counsel

2. Orders approving the professional fees and disbursements of the Receiver and its counsel, as set out in the Second Report.

Approval of the Actions of the Receiver

3. An Order approving, ratifying and confirming as valid all activities, actions and proposed courses of action of the Receiver (collectively, the "**Actions of the Receiver**") to date in

relation to the discharge of its mandate as Receiver of the "**Property**" (as that term is defined in the Receivership Order of the Honourable Madam Justice A. R. Rothery granted June 30, 2016 in these proceedings) pursuant to the Orders of this Honourable Court in these proceedings (the "**Receiver's Mandate**") as such Actions of the Receiver are more particularly described in the First and Second Reports of the Receiver.

Approval of Final Distribution

4. An Order authorizing and directing the final distribution to creditors as more particularly described in the Second Report.

Completion of the Receiver's Mandate and Discharge of the Receiver

5. An Order that, upon the final distribution to creditors more particularly described in the Second Report, the Receiver shall be discharged as Receiver of the Property, provided that notwithstanding its discharge:
 - (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein; and
 - (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in these proceedings, including all approvals, protections and stays of proceedings in favour of Grant Thornton Limited in its capacity as Receiver.

Limitation of Liability and Protection of the Receiver

6. An Order declaring that, based upon the evidence that is currently before this Honourable Court in regard to the Actions of the Receiver:
 - (a) the Receiver has acted honestly and in good faith, and has dealt with the Property and carried out the Receiver's Mandate in a commercially reasonable manner;
 - (b) the Receiver has satisfied all of its duties and obligations pursuant to the Receiver's Mandate;
 - (c) the Receiver shall not be liable for any act or omission, including, without limitation, any act or omission arising from, relating to or in connection with its discharge of the Receiver's Mandate, save and except for any liability arising out of fraud, gross negligence or wilful misconduct on the part of the Receiver; and
 - (d) no person shall commence an action or proceeding asserting a claim against the Receiver arising from, relating to or in connection with its discharge of the Receiver's

Mandate without first obtaining an Order of this Honourable Court (on notice to the Receiver) granting such person leave to commence such action or proceeding, and any such action or proceeding commenced without such leave being obtained is a nullity.

7. An Order that, subject to the foregoing, any claims against the Receiver in connection with the Receiver's Mandate are hereby stayed, extinguished and forever barred.

General Provisions

8. The Order sought shall have full force and effect in all Provinces and Territories in Canada, outside Canada, and against all Persons against whom it may be enforceable. The aid and recognition of all courts, tribunals, regulatory and administrative authorities in carrying out the terms of the Order is sought.
9. Service of the Order on any party not attending this application is dispensed with, but the Receiver shall post a copy of the Order on its website at the following address:
<http://www.grantthornton.ca/services/reorg/bankruptcy_and_insolvency/tuscanyenergy>.
10. Such further and other relief as counsel may request and this Honourable Court may allow.

Grounds for making this application:

Approval of Final Distribution

11. The final distribution proposed by the Receiver accords with the priority position of each secured creditor in these proceedings as determined by the Receiver and is not in dispute.

Approval of the Fees and Disbursements of the Receiver and Its Legal Counsel, Approval of the Actions of the Receiver, Discharge of the Receiver and Limitation of Liability and Protection of the Receiver

12. The Receiver has carried out the Receiver's Mandate honestly, in good faith and in compliance with the Orders of this Honourable Court and the duties imposed upon the Receiver by *The Queen's Bench Act, 1998*, SS 1998, c Q-1.02, *The Personal Property Security Act, 1993*, SS 1993, c P-6.2, and at common law.
13. The Receiver has substantially completed the Receiver's mandate, such that it is appropriate that this Receivership be concluded and that the Receiver obtain an Order approving the fees of the Receiver and its legal counsel and granting its discharge, with the requisite provisions to shield the Receiver from liability.

Material or evidence to be relied on:

14. The Applicant relies upon:

- (a) this Notice of Application;
- (b) the Second Report of the Receiver dated February 23, 2017;
- (c) a proposed form of draft Order;
- (d) similar Orders granted by this Honourable Court in the past, namely:
 - i) *Re Klassen Park Farms Inc. et al*, 15 October 2014 (unreported), Q.B. No. 1304 of 2012, Judicial Centre of Saskatoon; and
 - ii) *Re Edge Resources Inc.*, 1 February 2017 (unreported), Q.B. No. 547 of 2016, Judicial Centre of Saskatoon;
- (e) the pleadings and proceedings herein; and
- (f) such further and other material as this Honourable Court may allow.

Applicable Acts and Regulations:

15. *The Queen's Bench Act, 1998*, SS 1998, c Q-1.02.

16. *The Personal Property Security Act, 1993*, SS 1993, c P-6.2.

DATED at Saskatoon, Saskatchewan, this 23rd day of February, 2017.

MLT Aikins LLP

Per: 

Jeffrey M. Lee, Q.C. and Paul Olfert, counsel
for the Receiver, Grant Thornton Limited

NOTICE

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.

CONTACT INFORMATION AND ADDRESS FOR SERVICE

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