

COURT FILE NUMBER 1701-03460
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF ALBERTA ENERGY REGULATOR
DEFENDANT LEXIN RESOURCES LTD., 1051393 B.C. LTD., 0989
RESOURCE PARTNERSHIP, LR PROCESSING
LTD. and LR PROCESSING PARTNERSHIP
DOCUMENT ORDER: SALE OF DISPUTED EQUIPMENT



ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
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I hereby certify this to be a true copy of the original
dated this 27 day of Oct 2017
for Clerk of the Court

DATE ON WHICH ORDER WAS PRONOUNCED: October 25, 2017

NAME OF JUSTICE WHO MADE THE ORDER: B.E. Romaine

LOCATION OF HEARING: Calgary, Alberta

UPON the application of Grant Thornton Limited, in its capacity as the court-appointed receiver (the "Receiver") of Lexin Resources Ltd., 1051393 B.C. Ltd., 0989 Resource Partnership, LR Processing Ltd. and LR Processing Partnership (collectively the "Debtors") for the advice and direction of this Court respecting, amongst other things, the validity of the secured loan (the "Finance Loan") asserted by MFC Energy Finance Inc. ("Finance"); AND UPON having read the Fifth Report of the Receiver, dated October 12, 2017, filed (the "Fifth Report"), the Confidential Supplement to the Receiver's Fifth Report, dated October 18, 2017 (the "Confidential Report"), the Affidavits of Service of Vanessa Vu and Kristal Bolton, respectively, each filed, and the pleadings and proceedings filed herein, including the Lexin Receivership Order granted on March 20, 2017 and the Expanded Receivership Order granted on June 13, 2017; AND UPON hearing from counsel for the Receiver, the Alberta Energy Regulator and counsel for any other interested parties appearing at the hearing of this application:

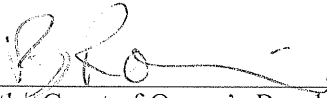
IT IS HEREBY ORDERED AND DECLARED THAT:

1. The time for service of this Application together with all supporting materials is hereby declared to be good and sufficient and no other person is required to have been served with such documents, and this hearing is properly returnable before this Honourable Court today and further service thereof is hereby dispensed with.
2. The Receiver is entitled and empowered to market, sell, convey, transfer or assign the Debtors' interest in the equipment listed in Schedule "A" to the Bill of Sale between 1049597 B.C. Ltd. and 0989 Resource Partnership, dated December 29, 2015, and attached to the Fifth Report as Appendix 12 (the "**597 Equipment**"), or any part or parts thereof, through the Receiver's sales process as approved by this Court on July 14, 2017 (the "**Sales Process**").
3. Subject to further Order of this Honourable Court, the Receiver shall hold any and all sale proceeds from the Sales Process, whether resulting from a sale of the 597 Equipment or otherwise, in trust, less amounts payable pursuant to the Receiver's Certificates, which amounts may be paid from the sale proceeds.
4. Nothing in this Order determines:
 - a) the ownership of the 597 Equipment;
 - b) the value of the 597 Equipment;
 - c) whether the sale of the 597 Equipment should be approved by this Honourable Court;
 - d) whether the Receiver's process to obtain a sale of the 597 Equipment generated fair market value for the 597 Equipment;
 - e) the amount to be paid by the Receiver to the owner of the 597 Equipment; or
 - f) any other issues which may arise on an Application to this Honourable Court to approve the sale of the 597 Equipment;

which issues are adjourned to a future date to be determined. Further, this Order is without prejudice to the ability of any party to lead evidence or make submissions to this Honourable Court in respect of any of the foregoing, and all of the rights of any party in respect of the foregoing are expressly preserved.

Miscellaneous Matters

5. Service of this Order shall be deemed good and sufficient by serving the same on:
 - a) the persons listed on the service list (attached as Schedule "A" to the Application); and
 - b) by posting a copy of this Order on the Receiver's website at: www.grantthornton.ca/lexin
6. No other persons are entitled to be served with a copy of this Order.
7. Service of this Order shall be deemed good and sufficient regardless of whether service is effected by PDF copy attached to email, facsimile, courier, personal deliver or ordinary mail.



Justice of the Court of Queen's Bench of Alberta