

COURT FILE NUMBER **1701-03460**

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE Calgary

APPLICANT **ALBERTA ENERGY REGULATOR**

RESPONDENT **LEXIN RESOURCES LTD., 1051393 B.C. LTD., 0989 RESOURCE PARTNERSHIP, LR PROCESSING LTD. and LR PROCESSING PARTNERSHIP**

DOCUMENT **ORDER APPROVING SETTLEMENT**



ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

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File No. 547730/000021

I hereby certify this to be a true copy of
the original Order
Dated this 27 day of Nov 18
for Clerk of the Court

DATE ON WHICH ORDER WAS PRONOUNCED: November 27, 2018

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice B.E. Romaine

UPON the Application of Grant Thornton Limited in its capacity as the court-appointed receiver (the "Receiver") of Lexin Resources Ltd. ("Lexin"), 1051393 B.C. Ltd. ("105"), 0989 Resource Partnership ("0989"), LR Processing Ltd. ("LR Ltd.") and LR Processing Partnership ("LR Processing" and collectively with Lexin, 105, 0989 and LR Ltd. the "Lexin Group"); AND UPON having read the Ninth Report of the Receiver, dated November 6, 2018 (the "Ninth Report") and the Affidavit of Service of Stella Kim, filed, and the pleadings and Receiver's reports previously filed herein, including the receivership order granted on March 20, 2017 (the "Lexin Receivership Order") and the consent receivership order granted on June 13, 2017 (the "Expanded Receivership Order", sometimes referenced herein with the Lexin Receivership Order as the "Receivership Orders") and the Fifth Report of the Receiver dated October 12, 2017; AND UPON having heard submissions from counsel for the Receiver, and any other counsel in attendance at this Application; AND UPON it appearing that the

Settlement Agreement appended to the Ninth Report as Appendix 3 (the “**Settlement Agreement**”) is fair and reasonable in the circumstances and in the best interests of the Lexin Group estate,

IT IS HEREBY ORDERED AND DECLARED THAT:

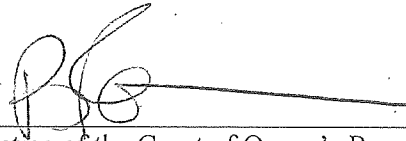
Service

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 dispensed with.

Settlement Agreement

2. Capitalized terms not defined herein shall have the meaning given to them in the Settlement Agreement.
3. The Settlement Agreement is hereby approved and the Receiver is authorized and directed to take all such necessary steps to give effect to the terms of, and carry out the terms of the Settlement Agreement.
4. Within two business days of this order becoming a Final and Binding Order, the Receiver is hereby authorized to discharge from the Personal Property Registry and the Land Titles Office, the registrations listed in Schedule “A” hereto and:
 - (a) The Registrar of the Alberta Personal Property Registry is expressly authorized and directed, upon application by the Receiver to the Personal Property Registry, to discharge the registration bearing registration number 16011925136; and
 - (b) The Registrar of Land Titles is directed to discharge the caveat bearing registration number 151 311 322 and is directed to register this order against title to any of the property affected thereby, and shall be registered by the Registrar of Land Titles notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c L-7.

5. Within two business days of this order becoming a Final and Binding Order, the Receiver is hereby authorized to make a payment to Finance in the total amount of \$55,000, representing repayment of the Warehouseman's Lien asserted over the Seismic, pursuant to section 1.6 of the Settlement Agreement.

A handwritten signature in black ink, consisting of stylized initials followed by a long horizontal line.

Justice of the Court of Queen's Bench of Alberta

SCHEDULE "A"

TO ORDER APPROVING SETTLEMENT AGREEMENT

Personal Property Registrations to be Discharged

- (1) Secured Party: 1049597 BC Ltd.
Registration Number: 16011925136
Registration Date: January 19, 2016
Debtors: 0989 Resource Partnership, Lexin Resources Ltd.
Collateral: various serial numbered equipment

Land Titles Registrations to be Discharged

- (2) Registration Number: 151 311 322
Date: November 30, 2015
Particulars: Notice of Security Interest re: Fixtures in favour of Energy Leasing Partners Ltd.
Debtor: MFCE Resources Ltd.
Amount: \$1,128,000