

COURT FILE NUMBER **1701-03460**

COURT **COURT OF KING'S BENCH OF ALBERTA**

JUDICIAL CENTRE **CALGARY**

PLAINTIFF **ALBERTA ENERGY REGULATOR**

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

DOCUMENT **APPLICATION BY RECEIVER**

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NOTICE TO RESPONDENTS: **See Service List, Schedule "A" to this Application**

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:

Date: **December 11, 2024**

Time: **3:30 p.m.**

Where: **Calgary Courts Centre, 601-5th Street SW, Calgary AB**

Before Whom: **The Honourable Justice Campbell**

Go to the end of this document to see what else you can do and when you must do it.

Remedy Claimed or Sought:

1. Capitalized terms not defined herein have the same meaning ascribed to them as in the Seventeenth Report of the Receiver, dated November 25, 2024 (the **"Seventeenth Report"**).
2. Grant Thornton Limited, in its capacity as 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"**), seeks an order for the following relief:
 - a. declaring service of this Application good and sufficient and abridging the time for notice of this Application to the time actually given, if necessary;
 - b. pursuant to the order substantially in the proposed form attached as **Schedule "B"**:
 - i. authorizing the Receiver to make a distribution to the Alberta Energy Regulator (**"AER"**) of all remaining funds held by the Receiver for the Lexin Group Estate, less the Estimated Final SRD, payment of outstanding invoices for professional fees and the Completion Estimates, as set out in the Receiver's Seventeenth Report;
 - ii. approving the Estimated Final SRD, as set out in the Seventeenth Report;
 - iii. approving and ratifying the actions, conduct, and activities of the Receiver, as set out in the Seventeenth Report;
 - iv. approving the discharge of the Receiver, subject to the completion of required administrative matters and upon filing of the Discharge Certificate; and a declaration that the Receiver has duly and properly discharged its duties, responsibilities, and obligations as receiver;
 - v. approving the professional fees and disbursements of the Receiver, and those of its legal counsel, plus the Completion Estimates, as set out in the Seventeenth Report; and
 - vi. declaring that the Receiver is not liable for any act or omission on its part, including without limitation, any act or omission pertaining to the discharge of its duties in the within proceedings, save and except the usual exclusions, and declaring that any claims against the Receiver in connection with the performance of its duties are stayed, extinguished and forever barred; and
 - vii. empowering the Receiver, notwithstanding its discharge, to perform any act necessary or incidental to the conclusion of the Receivership, and approving the Completion Estimate in respect thereof.
 - c. such further and other relief as this Honourable Court may deem just in the circumstances.

Grounds for Making this Application:

3. The grounds for making this application are as set out in the Seventeenth Report. These grounds include but are not limited to the following.

Background of Receivership Proceedings

4. On March 20, 2017, this Court granted the AER application to petition Lexin into receivership (the “**Lexin Receivership Order**”) attached as **Schedule “C”**. Subsequently, on June 13, 2017, this Court granted the Receiver’s application to petition 105, 0989, LR Ltd. and LR Processing into receivership pursuant to a consent receivership order (the “**Expanded Receivership Order**” and together with the Lexin Receivership Order the “**Receivership Orders**”). All capitalized terms used in this section of the Application but not defined herein shall have the meaning given to them in the Receivership Orders.
5. The Receivership Orders appointed the Receiver over all of the Debtors’ Property but provided that, while the Receiver may take possession and exercise control over the Property, the Receiver is not required to take possession or exercise physical control over any of the Debtor’s oil or gas wells, pipelines, facilities, or sites regulated by the AER (the “**Sites**”).
6. The Sites for which the Debtors were the sole operator and owner are now under the care of the Orphan Well Association (“**OWA**”); however, Sites operated by the Debtors (or any one of them) in which there are working interest participants (“**WIPs**”) have been placed under the care and custody of those WIPs.
7. While the Receiver could not take physical possession of the Sites, the Receiver was authorized to conduct a sales and marketing process with respect to all of the Debtor’s Property.
8. The Receiver conducted a sales and marketing process (the “**Sales Process**”) of the Debtor’s Property and sought the Court’s approval of the sales of the Debtor’s Property.
9. On July 11, 2019, this Court granted the Receiver’s application to discharge the Receiver (the “**Discharge Order**”) attached as **Schedule “D”**. The Discharge Order granted the following relief, among other:
 - a. service was good and sufficient on the persons listed in Schedule “A” to the discharge application;
 - b. the activities and fees of the Receiver and legal counsel had been approved;
 - c. a distribution to the AER;
 - d. a holdback amount of \$594,000; and
 - e. discharge of the Receiver confirming that:

- i. the sales approved by this Court, according to the Sales Process, on July 11, 2029, had closed;
 - ii. the HESC Transaction had been either completed or notice had been given of the abandonment of the application to approve the HESC Transaction;
 - iii. that the tolling period pursuant to the Settlement Agreement had expired.
10. The Discharge Order was, for all intents and purposes, to be final and end the Receiver's obligations and actions with regard to the Lexin Group upon the filing of an Affidavit by the Receiver (the "**Discharge Affidavit**").
11. The Discharge Affidavit was filed with the Court on September 11, 2020.

Actions of the Receiver

Land Proceeds

12. In April 2024, the Receiver was contacted by counsel to the OWA regarding \$1,055,237.00 of net proceeds (the "**Land Proceeds**") from the lands on which the Mazeppa Gas Plant was located (the "**Mazeppa Land**"). The Mazeppa Land was formerly owned by LR Ltd, and not included in the Sale Process with the rest of the Debtor's Property.
13. The Mazeppa Land was seized and sold by His Majesty in the Right of Alberta (the "**Crown**") in accordance with its authority under section 29 of the *Unclaimed Personal Property and Vested Property Act*, SA 2007, c U-1.5 ("**UPPVPA**").
14. LR Ltd had been struck from the corporate registry and, as a result, the Land Proceeds had been escheated to the Crown, as represented by the President of Treasury Board and Minister of Finance, pursuant to the UPPVPA. The OWA (via the AER) is therefore the stakeholder with the primary economic interest in the Land Proceeds.
15. On May 28, 2024, this Court granted the Receiver's application to be reappointed and revive the proceedings (the "**Revival Order**"), so that the Receiver may bring an application under s. 48 of the UPPVPA (the "**Section 48 Application**") to deal with the Land Proceeds. The Revival Order also revived LR Ltd pursuant to s. 210 of the *Alberta Business Corporations Act*, RSA 2000, c B-9, so that the Section 48 Application may be brought against LR Ltd.
16. On July 29, 2024, the Receiver applied to the Court, supported by the Sixteenth Report of the Receiver, dated July 11, 2024, for an Order (the "**Section 48 Order**"), granting the following:
 - a. a declaration that the Land Proceeds were authorized to be transferred to the Receiver subject to all requirements of the UPPVPA; and
 - b. authorizing the Receiver to distribute the Land Proceeds to the OWA.

17. On August 6, 2024, the Receiver filed the Section 48 Application with the Alberta Treasury Board and Finance and subsequently received the Land Proceeds in the amount of \$1,055,237 on August 29, 2024. The Receiver intends to make a distribution to the AER as authorized by the Section 48 Order and further detailed in the Estimated Final SRD in the Seventeenth Report.

Genset Investigation

18. In January 2024, the Receiver was contacted by the OWA regarding a piece of equipment known as a “2014 Leroy Somers 3.6MW genset” (the “**Genset**”) listed for sale in Edson, Alberta. The OWA believed the Genset to be an asset of the Lexin Group formerly located at the Mazeppa Gas Plant. Prior to its initial discharge, the Receiver was not able to take possession of, or locate the Genset and it was believed missing. The Receiver has not been able to verify the Lexin Group’s ownership of the Genset.
19. In its revived capacity as Receiver, the Receiver contacted the parties conducting the sale of the Genset and were directed to Nixon Peabody LLP (“**NP LLP**”), counsel to 104 Power Limited Partnership (“**104 Power**”) and 1046533 B.C. Ltd. (“**104 BC**”). 104 Power and 104 BC are debtors in Chapter 11 bankruptcy proceedings in the United States, and are the selling parties of the Genset. NP LLP refutes the Lexin Group’s ownership of the Genset.
20. As noted in the Receiver’s Reports, MFC Power operated a power plant on the Mazeppa Land. NP LLP advised the Receiver that, prior to their bankruptcy filings, MFC Power had changed its name to 104 Power and MFC General Partner Ltd. changed its name to 104 BC.
21. As with the Land Proceeds, the OWA is the stakeholder with the primary economic interest in the Genset. The OWA requested that the Receiver investigate the Genset further and evaluate any potential realizations to the estate.
22. Following the Revival Order and pursuant to the Receiver’s investigation into the Genset, the Receiver, with input from the OWA, determined that it was not in the best interests of the receivership estate to further pursue any potential interest in the Genset.
23. The Renunciation Notice dated April 2, 2019 (the “**Renunciation**”) indicates that any interest of the Receiver in the Genset is likely to have been abandoned, renounced and released.
24. In addition to the Renunciation, there are several impediments to recovering the Genset and taking action to obtain value for the Lexin Group estate, specifically that:
 - a. the asset is not in the Receiver’s possession;
 - b. 104 BC concluded Chapter 11 bankruptcy proceedings in the United States; and
 - c. the estimated professional fees to recover the Genset are between \$275,000 and \$400,000 and the Receiver’s research indicates that the Genset is potentially worth between \$250,000 and \$700,000.

25. For the reasons set out above, the Receiver requests the Court's permission to conclude its investigation and take no further steps to recovering the Genset.
26. The Receiver has acted diligently since its appointment, and subsequently, since its revival in these proceedings, and has undertaken those activities set out in the Seventeenth Report and above, which actions are lawful, proper and consistent with the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 and the Receiver's powers and duties under the Receivership Orders and the Revival Order.

Discharge

27. After the proposed transfer to the AER and payment of the Estimated Final SRD and the Completion Estimates, as contemplated by paragraph 36 of the Seventeenth Report, there are no additional sales, transfers, or duties prescribed by the Orders in the within proceedings, and as such, the Receiver is seeking its discharge, conditional upon completing the remaining tasks outlined in the Seventeenth Report.

Approval of Professional Fees

28. The accounts of the Receiver and its legal counsel for the period ending October 31, 2024, total approximately \$44,726 and \$152,772, respectively, excluding GST.
29. Estimated professional fees of the Receiver and its legal counsel required to complete the administration of the receivership are \$15,000 and \$10,000, respectively, excluding GST.
30. The invoices rendered by the Receiver and its counsel to date and estimate of professional fees to complete the administration of the receivership, are reasonable, validly incurred and in accordance with the provisions of the Receivership Orders and the Revival Order.

Material or Evidence to be Relied On:

31. The Seventeenth Report of the Receiver dated November 25, 2024.
32. The pleadings, Orders and Receiver's Prior Reports previously filed in these proceedings.
33. Affidavit of Service, to be filed.
34. Such further and other evidence as counsel may advise and this Honourable Court permit.

Applicable Rules:

35. *Alberta Rules of Court*, AR 124/2010, and in particular Rules 1.3, 3.75, 6.3, 6.4, 11.27, 11.29 and 13.5.
36. *Bankruptcy and Insolvency Act General Rules*, and in particular Rules 3, 6 and 11.
37. Such further and other rules as counsel may advise and this Honourable Court permit.

Applicable Acts and Regulations:

- 38. *Alberta Business Corporations Act*, RSA 2000, c B-9.
- 39. *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended, and in particular Part XI thereof.
- 40. *Judicature Act*, RSA 2000, c J-2.
- 41. *Unclaimed Personal Property and Vested Property Act*, SA 2007, c U-1.5

Any Irregularity Complained of or Objection Relied On:

- 42. None.

How the Application is Proposed to be Heard or Considered:

- 43. In person before the Honourable Justice Campbell, with some or all parties present.

WARNING

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 give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.

SCHEDULE "A"
Service List

COURT FILE NUMBER **1701-03460**

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT GRANT THORNTON LIMITED

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RECIPIENT	SENT BY
BOUNTY DEVELOPMENTS LTD. (0HP8) 1250, 340 - 12 Avenue SW Calgary, AB T2R 1L5	Courier
CANADIAN FREEHOLD CONSULTING (1991) LTD. 47 Edgehill Crescent NW Calgary, AB T3A 2X5	Courier
CENOVUS FCCL LTD. 2600, 500 Centre Street SW Calgary, AB T2G 1A6	Courier
CHESSOR HOLDINGS LTD. 460 – 30 Avenue NW Calgary AB T2M 2N4	Courier
CLEARBROOK RESOURCES INC. 1500, 850 – 2 Street SW Calgary, AB T2P 0R8	Courier
COUNTRY ROCK RESOURCES LTD. (A2BY) 79 Windmill Way Calgary, AB T3Z 1H5	Courier
DELOITTE MANAGEMENT SERVICES LP c/o Miller Thomson LLP 2700 Commerce Place 10155 – 102 Street Edmonton, AB T5J 3W7	Courier
ENERFLEX LTD. 10121 Barlow Trail NE Calgary, AB T3J 3C6	Courier
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MCMILLAN LLP 1700, 421 - 7 Avenue SW Calgary, AB T2P 4K9	Courier
MFC ACQUISITION INC., AS ADMINISTRATIVE AGENT c/o Marian Energy Inc. 1000 Cathedral Place 925 West Georgia Street Vancouver, BC V6C 3L2	Courier
MFC ENERGY FINANCE INC. c/o Marian Energy Inc. 1000 Cathedral Place 925 West Georgia Street Vancouver, BC V6C 3L2	Courier
MFC INDUSTRIAL LTD. c/o Marian Energy Inc. 1000 Cathedral Place 925 West Georgia Street Vancouver, BC V6C 3L2	Courier

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MLT AIKINS LLP 2100, 222 – 3 Avenue SW Calgary, AB T2P 0R3 <i>Counsel for Municipal District of Foothills, and Bearspaw Petroleum</i>	Courier
MPP LTD. 1600, 333 – 7 Avenue SW Calgary, AB T2P 2Z1 400, 1035 – 4 Avenue SW Calgary, AB T2P 3E9	Courier
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NEW NORTH RESOURCES LTD. (0CZ4) 320, 700 - 4 Avenue SW Calgary, AB T2P 3J4	Courier
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EMAIL LIST ONLY

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SCHEDULE "B"
Proposed Order

COURT FILE NUMBER **1701-03640**

Clerk's Stamp

COURT **COURT OF KING'S BENCH OF ALBERTA**

JUDICIAL CENTRE **Calgary**

PLAINTIFF **ALBERTA ENERGY REGULATOR**

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

DOCUMENT **ORDER (Various Relief)**

ADDRESS FOR SERVICE Kevin E. Barr / Richard Kelba
AND CONTACT Borden Ladner Gervais LLP
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PARTY FILING THIS Calgary, AB T2P 0R3
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Facsimile: (403) 266-1395
Email: KBarr@blg.com / RKelba@blg.com
File No. 547730/000021

DATE ON WHICH ORDER WAS PRONOUNCED: **December 11, 2024**

LOCATION WHERE ORDER WAS PRONOUNCED: **Calgary, Alberta**

NAME OF JUSTICE WHO MADE THIS ORDER: **The Honourable Justice Campbell**

UPON the Application of Grant Thornton in its capacity as the court-appointed receiver (the “**Receiver**”) of Lexin Resources Ltd. (“**Lexin**”), 105193 B.C. Ltd. (“**105**”), 0989 Resource Partnership (“**0989**”), LR Processing Ltd. (“**LR Ltd.**” and collectively with Lexin, 0989 and LR Ltd. the “**Lexin Group**”); **AND UPON** having read the Seventeenth Report of the Receiver, dated November 25, 2024 (the “**Seventeenth Report**”) and the Affidavit of Service of Kayley Woods (to be filed), and the pleadings and Receiver’s reports previously filed herein, including the Receivership Order granted on March 20, 2017, (the “**Lexin Receivership Order**”), the Discharge Order granted July 11, 2019 (the “**Lexin Discharge Order**”), and the Revival Order granted May 28, 2024 (the “**Lexin Revival Order**”); **AND UPON** having heard submissions from counsel for the Receiver, and other counsel in attendance at this Application;

IT IS HEREBY ORDERED AND DECLARED:

Miscellaneous

1. Capitalized terms not expressly defined herein shall have the meaning ascribed to them in the Seventeenth Report.

Service

2. 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.
3. Service of this Order shall be deemed good and sufficient by serving the same on:
 - (a) The persons listed on the service list who have provided email contacts information (attached as **Schedule "A"** to the Application); and
 - (b) By posting a copy of this Order on the Receiver's website at:
<http://www.grantthornton.ca/lexin>
4. No other Persons are entitled to be served with a copy of this Order.

Final Distribution and Land Proceeds

5. The Estimated SRD, as contemplated by the Seventeenth Report are hereby approved.
6. The Receiver is hereby authorized and directed to make a final distribution to the Alberta Energy Regulator of approximately \$1,501,278, inclusive of the Land Proceeds, representing the remaining total held in trust of the Lexin Group estate, to complete its Receivership of the Lexin Group's Estate.

Genset

7. The Receiver is hereby authorized and directed to conclude its investigation into the Genset and take no further action with regard to the Genset.

Approval of Activities and Fees

8. The Receiver's activities in the Seventeenth Report are hereby approved.
9. The Receiver's accounts for fees and disbursements, as summarized in the Seventeenth Report, invoices for which were provided to the Court, are hereby approved without the necessity of a formal passing of accounts.

10. The accounts of the Receiver's legal counsel, Borden Ladner Gervais LLP, for its legal fees and disbursements, as summarized in the Seventeenth Report, invoices for which were provided to the Court, are hereby approved without the necessity of a formal passing of accounts.

Discharge of the Receiver

11. On the evidence before the Court, the Receiver has satisfied its obligations under and pursuant to the terms of the Orders granted in the within proceedings up to and including the date hereof, and the Receiver shall not be liable for any act or omission on its part, including, without limitation, any act or omission pertaining to the discharge of its duties in the within proceedings, save and except for any liability arising out of fraud, gross negligence or wilful misconduct on the part of the Receiver, or with leave of the Court. Subject to the foregoing, any claims against the Receiver in connection with the performance of its duties are hereby stayed, extinguished and forever barred and the Receiver is hereby released and discharged from any and all liability that the Receiver now has or may hereafter have, by reason of, or in any way arising out of, the acts or omissions of the Receiver while acting in its capacity as Receiver herein, save and except for gross negligence or wilful misconduct on the part of the Receiver.
12. No action or proceeding shall be commenced in any way arising from or related to its capacity or conduct as Receiver, except with prior leave of this Court on Notice to the Receiver, and upon such terms as this Court may direct.
13. Upon the receiver filing with the Clerk of the Court a sworn Affidavit of a licensed Trustee employed by the Receiver confirming that:
 - (a) The Estimated Final Distribution to the AER as contemplated by paragraph 36 of the Seventeenth Report has been made;
 - (b) The Receiver's investigation into the Genset is hereby concluded; and
 - (c) Payment of outstanding invoices for professional fees and Completion Estimates as contemplated by paragraph 36 of the Seventeenth Report have been made;

then the Receiver shall be discharged as Receiver of the Lexin Group, provided however that notwithstanding its discharge herein (a) the Receiver shall remain the 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 the Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of the Receiver in its capacity as Receiver.

SCHEDULE "C"
Lexin Receivership Order, dated March 20, 2017

I hereby certify this to be a true copy of
the original order

Dated this 22 day of March

Clerk's stamp:

FIAT: Let the within Order be filed notwithstanding
that the counsel approvals are by electronic signature
and in counterpart, this 21st day of March, 2017.
not necessary: J.C.Q.B.A. 19.
2012 Aeca 150 q 7

COURT FILE NO. for Clerk of the Court 1701-03460

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT ALBERTA ENERGY REGULATOR

RESPONDENT LEXIN RESOURCES LTD.

DOCUMENT RECEIVERSHIP ORDER

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF PARTY
FILING THIS DOCUMENT
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Barristers
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Calgary, Alberta T2P 1C2

Christa Nicholson
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File: 13817.001



DATE ON WHICH ORDER WAS PRONOUNCED: March 20, 2017

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary Courts Centre

NAME OF THE JUDGE WHO MADE THIS ORDER: The Honourable Justice P.R. Jeffrey

UPON the application of Alberta Energy Regulator ("AER") in respect of Lexin Resources Ltd. ("Lexin" or the "Debtor"); **AND UPON** having read the Application of the AER; the Affidavit of Laura Chant, sworn on March 11, 2017 including the reference therein to the "Equipment Order" granted March 3, 2017 in Court of Queen's Bench Action No. 1701 02272; the Affidavit of Service of Helen Bowker, sworn and filed March 14, 2017; and the Affidavit of Charles Selby, sworn and filed March 17, 2017; **AND UPON** reading the consent of Grant Thornton Limited to act as receiver ("Receiver") of the Debtor; **AND UPON** hearing counsel for AER and other interested parties;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. The time for service of the notice of this Application is hereby abridged and service thereof is deemed good and sufficient.

APPOINTMENT

2. Pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 ("**BIA**") and/or section 13(2) of the *Judicature Act*, R.S.A. 2000, Grant Thornton Limited is hereby appointed Receiver, without security, of all of Lexin's current and future assets, undertakings and properties of every nature and kind whatsoever, including all proceeds thereof, provided that the appointment of the Receiver shall not include any oil or gas wells, pipelines or facilities located outside the Province of Alberta or regulated by an entity other than the AER (the "**Property**").

RECEIVER'S POWERS

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized (but not obligated) to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Property, with the exception of taking possession of or exercising physical control over any Lexin oil or gas wells, pipelines, facilities or sites regulated by the AER (the "**Sites and Abandoned Sites**"), and any and all proceeds, receipts and disbursements arising out of or from the Property, and for greater clarity, while the Receiver shall have limited powers with respect to the Property as it relates to the Sites and Abandoned Sites as more particularly set out herein, the Receiver shall not have the power to take possession of and exercise physical control over the Sites and the Abandoned Sites;

- (b) to exercise any powers it has under section 14.06 of the BIA;
- (c) to receive, preserve and protect the books and records of the Debtor or any part or parts thereof, including, but not limited to, relocating of the books and records to safeguard them as may be necessary or desirable;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (f) to settle, extend or compromise any indebtedness owing to or by the Debtor;
- (g) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (h) to initiate, prosecute and continue the prosecution of any and all proceedings (with the exception of the hearing scheduled for March 22 and 23, 2017 of Lexin's application filed in Court of Queen's Bench Action Number 1701-02272 and in its Originating Application filed in Court of Queen's Bench Action Number 1701-03310 (the "**Applications**"), on the issue before the Court to be argued at that time, namely, the Court's jurisdiction to hear the foregoing Applications (the "**Jurisdiction Question**"), which Jurisdiction Question may continue to be advanced by Lexin as opposed to the Receiver), and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceedings, and

provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court;

- (i) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate.
- (j) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$150,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, R.S.A. 2000, c. P-7 shall not be required.

- (k) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (l) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (m) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

- (n) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (o) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (p) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have;
- (q) to, with leave of the Court, assign the Debtor into bankruptcy, to become the trustee in bankruptcy of the Debtor and to take all steps reasonably required to carry out its role as trustee in bankruptcy of the Debtor should the Receiver deem it appropriate in the circumstances to do so; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

4. Notwithstanding any other provision of this Order, nothing herein shall empower, authorize or require the Receiver: (i) to take possession of or exercise physical control over the Sites and the Abandoned Sites; or (ii) to manage, operate or carry on the business of the Debtor; and the Receiver shall not be deemed to have taken any of the actions or steps referred to in this paragraph 4 solely as a consequence of having taken some of the steps authorized pursuant to paragraph 3.
5. Upon the AER receiving from any person a request for approval to remove equipment from any of the Sites pursuant to the Equipment Order (the "**Request**"), the AER shall forthwith bring that communication to the attention of the Receiver, and the Receiver

shall cooperate with the AER with respect to any proposed removal of equipment from any Sites and Abandoned Sites, and will thereafter either:

- (a) approve the removal of the equipment on such terms as are appropriate, having regard to the entitlements of all persons; or
- (b) advise the person who made the Request that the equipment may not be removed without Court Order, made on application brought in these proceedings (Action No. 1701-03460) with 7 days' prior notice to the Receiver and AER.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

- 6. (i) The Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependant on maintaining possession) to the Receiver upon the Receiver's request.
- 7. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 7 or in

paragraph 8 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.

8. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

9. No proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

10. No Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court,

provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph 10; and (ii) affect a Regulatory Body's investigation in respect of the debtor or an action, suit or proceeding that is taken in respect of the debtor by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. "**Regulatory Body**" means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a province.

NO EXERCISE OF RIGHTS OF REMEDIES

11. All rights and remedies (including, without limitation, set-off rights) against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

12. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

13. All Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking

services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and this Court directs that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

14. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

EMPLOYEES

15. Subject to employees' rights to terminate their employment, all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations

under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, SC 2005, c 47 ("WEPPA").

16. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, SC 2000, c 5, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. (a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
 - (i) before the Receiver's appointment; or
 - (ii) after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
- (b) Nothing in sub-paragraph (a) exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring

the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,

(i) if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause (ii) below, the Receiver:

- A. complies with the order, or
- B. on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;

(ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by,

- A. the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or
- B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or

(iii) if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

LIMITATION ON THE RECEIVER'S LIABILITY

18. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order the Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, Section 14.06, 81.4(5) or 81.6(3) of the BIA.

RECEIVER'S ACCOUNTS

19. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, incurred both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) of the BIA.
20. The Receiver and its legal counsel shall pass their accounts from time to time.
21. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

22. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$200,000 (or such greater amount as this Court may by further Order authorize) at any time, at such

rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) and 88 of the BIA.

23. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
24. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
25. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

ALLOCATION

26. Any interested party may apply to this Court on notice to any other party likely to be affected, for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the various assets comprising the Property.

GENERAL

27. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence.
29. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.
30. 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 Receiver 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 and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
31. The Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
32. The Applicant shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.
33. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

FILING

34. The Receiver shall establish and maintain a website in respect of these proceedings at www.grantthornton.ca/creditorupdates and shall post there as soon as practicable:

- (a) all materials prescribed by statute or regulation to be made publically available; and
- (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.

J.C.Q.B.A.

APPROVED as the Order granted:

GROIA AND COMPANY PROFESSIONAL
CORPORATION

Per: _____


Joseph Groia
Counsel for Lexin Resources Ltd.

BORDEN LADNER GERVAIS LLP

Per: _____

Robyn Gurofsky
Counsel for Grant Thornton Limited

JENSEN SHAWA SOLOMON DUGUID
HAWKES LLP

Per: _____

Christa Nicholson
Counsel for the Alberta Energy
Regulator

FILING

34. The Receiver shall establish and maintain a website in respect of these proceedings at www.grantthornton.ca/creditorupdates and shall post there as soon as practicable:
- (a) all materials prescribed by statute or regulation to be made publically available; and
 - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.



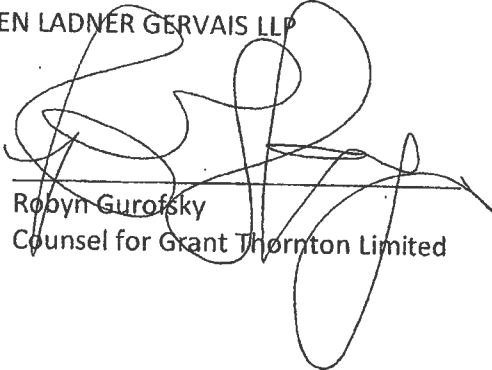
J.C.Q.B.A.

APPROVED as the Order granted:

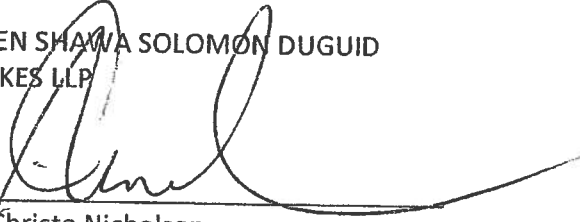
GROIA AND COMPANY PROFESSIONAL
CORPORATION

Per: _____
Joseph Groia
Counsel for Lexin Resources Ltd.

BORDEN LADNER GERVAIS LLP

Per: 
Robyn Gurofsky
Counsel for Grant Thornton Limited

JENSEN SHAWA SOLOMON DUGUID
HAWKES LLP

Per: 
Christa Nicholson
Counsel for the Alberta Energy
Regulator

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that GRANT THORNTON LIMITED, the receiver (the "**Receiver**") of all of the assets, undertakings and properties of LEXIN RESOURCES LTD. appointed by Order of the Court of Queen's Bench of Alberta in Bankruptcy and Insolvency (the "**Court**") dated the ____ day of _____, ____ (the "**Order**") made in action number _____, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [**daily**] [monthly **not** in advance on the ____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Alberta Treasury Branches from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at _____.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property) as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

GRANT THORNTON LIMITED, solely in its capacity as Receiver of the Property (as defined in the Order), and not in its personal capacity

Per: _____
Name:
Title:

SCHEDULE "D"
Discharge Order, dated July 11, 2019

COURT FILE NUMBER **1701-03460**

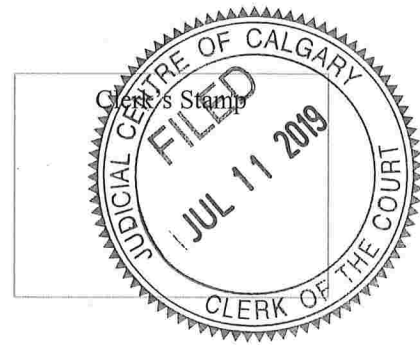
COURT COURT OF QUEEN'S BENCH OF
ALBERTA

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 (Various Relief)**



ADDRESS FOR SERVICE AND Robyn Gurofsky
CONTACT INFORMATION OF Borden Ladner Gervais LLP
PARTY FILING THIS 1900, 520 3rd Ave. S.W.
DOCUMENT Calgary, AB T2P 0R3
 Telephone: (403) 232-9774/9715
 Facsimile: (403) 266-1395
 Email: rgurofsky@blg.com
 File No. 547730/000021

I hereby certify this to be a true copy of
the original order

Dated this 11 day of July 19
[Signature]
for Clerk of the Court

DATE ON WHICH ORDER WAS PRONOUNCED: July 11, 2019

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable B.E.C. 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 Fourteenth Report of the Receiver, dated June 28, 2019 (the "Fourteenth Report") and the Affidavit of Service of Jennifer Gorrie, 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 UPON having heard submissions from counsel for the Receiver, and any other counsel in attendance at this Application,

IT IS HEREBY ORDERED AND DECLARED THAT:

Miscellaneous

1. Capitalized terms not defined herein shall have the meaning ascribed to them in the Fourteenth Report.
2. The application to approve the HESC PSA (the “**HESC Application**”) is hereby adjourned *sine die*.

Service

3. 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.
4. Service of this Order shall be deemed good and sufficient by serving the same on:
 - (a) The persons listed on the service list who have provided email contacts information (attached as Schedule “A” to the Application); and
 - (b) By posting a copy of this Order on the Receiver’s website at:
<http://www.grantthornton.ca/lexin>
5. No other Persons are entitled to be served with a copy of this Order.

Distribution and Holdback

6. The Receiver is hereby authorized and directed to make a distribution to the Alberta Energy Regulator, on behalf of the Orphan Well Association, to satisfy end of life obligations associated with the oil and gas assets of the Lexin Group, in the approximate amount of \$900,000, together with any additional funds realized from assets after June 20, 2019, the date of the Statement of Receipts and Disbursements appended to the Fourteenth Report.
7. The Receiver is hereby authorized to maintain a holdback fund of \$594,000 (the “**Holdback Funds**”) to satisfy administrative fees and costs associated with winding up the administration of the receivership estate, including but not limited to, the payment of additional fees of the Receiver and its legal counsel in the amounts of \$200,000 and \$75,000, which fees are hereby approved without the necessity of a formal passing of accounts.

8. The Receiver is hereby directed to distribute any portion of the Holdback Funds not actually incurred for the completion of the administration of the Lexin Group estate, to the Alberta Energy Regulator, on behalf of the Orphan Well Association, to satisfy end of life obligations associated with the oil and gas assets of the Lexin Group.

Approval of Activities & Fees

9. The Receiver's activities as set out in the Fourteenth Report are hereby approved.
10. The Receiver's accounts for fees and disbursements, as summarized in the Fourteenth Report, invoices for which were provided to the Court, are hereby approved without the necessity of a formal passing of its accounts.
11. The accounts of the Receiver's legal counsel, Borden Ladner Gervais LLP, for its legal fees and disbursements, as summarized in the Fourteenth Report, invoices for which were provided to the Court, are hereby approved without the necessity of a formal passing of its accounts.

Destruction of Records

12. The Receiver is authorized to dispose of the Lexin Group records no earlier than December 16, 2019 at its discretion.

Discharge of Receiver

13. On the evidence before the Court, the Receiver has satisfied its obligations under and pursuant to the terms of the Orders granted in the within proceedings up to and including the date hereof, and the Receiver shall not be liable for any act or omission on its part including, without limitation, any act or omission pertaining to the discharge of its duties in the within proceedings, save and except for any liability arising out of any fraud, gross negligence or wilful misconduct on the part of the Receiver, or with leave of the Court. Subject to the foregoing, any claims against the Receiver in connection with the performance of its duties are hereby stayed, extinguished and forever barred and the Receiver is hereby released and discharged from any and all liability that the Receiver now has or may hereafter have, by reason of, or in any way arising out of, the acts or omissions of the Receiver while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the part of the Receiver.

14. No action or other proceeding shall be commenced against the Receiver in any way arising from or related to its capacity or conduct as Receiver, except with prior leave of this Court on Notice to the Receiver, and upon such terms as this Court may direct.
15. Upon the Receiver filing with the Clerk of the Court a sworn Affidavit of a licensed Trustee employed by the Receiver confirming that:
 - (a) the distribution to the Alberta Energy Regulator as contemplated by paragraph 4 of this Order has been made;
 - (b) the sales approved by the Court on July 11, 2019 have closed;
 - (c) the Receiver has either (i) given notice to the Service List and the Court of its intention to abandon the HESC Application, or (ii) if the Receiver has successfully pursued the HESC Application and a sale approval and vesting order is granted in respect of that application, the Receiver has closed the transaction substantially on the terms contemplated in the HESC PSA;
 - (d) the Tolling Period as provided for pursuant to the Settlement Agreement has expired;

then the Receiver shall be discharged as Receiver of the Lexin Group, provided however that notwithstanding its discharge herein (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 this proceeding, including all approvals, protections and stays of proceedings in favour of the Receiver in its capacity as Receiver.
16. This Court hereby requests the aid and recognition of any court or any judicial, regulatory or administrative body in any province or territory of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province or any court or any judicial, regulatory or administrative body of any other nation or state, to act in aid of and be complimentary to this Court in carrying out the terms of this Order.

" Justice Romaine "

Justice of the Court of Queen's Bench of Alberta