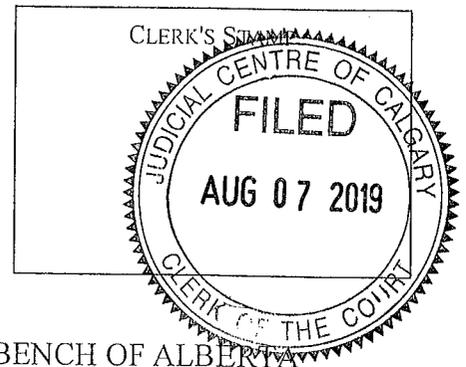


I hereby certify this to be a true copy of
the original ORDER
dated this 7 day of Aug 2019
[Signature]
for Clerk of the Court



COURT FILE NUMBER 1901 - 08251
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF NATIONS FUND I, LLC
DEFENDANT BEARSTONE ENVIRONMENTAL SOLUTIONS INC.
DOCUMENT SALE APPROVAL AND VESTING ORDER
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
BENNETT JONES LLP
4500 Bankers Hall East
855-2nd Street SW
Calgary, Alberta T2P 4K7
Attention: Ken Lenz, Q.C.
Telephone No.: 403-298-3317
Fax No.: 403-265-7219
Client File No.: 70924.7

DATE ON WHICH ORDER WAS PRONOUNCED: **August 6, 2019**

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

NAME OF JUDGE WHO MADE THIS ORDER: **The Honourable Madam Justice B. Romaine**

UPON the Application of Nations Fund 1, LLC ("**Nations**"), for an Order approving the sale transaction (the "**Transaction**") contemplated by the Amended and Restated Asset Purchase and Sale Agreement dated July 23, 2019 (the "**APA**"), initially between Bearstone Environmental Solutions Inc. ("**Bearstone**") as vendor and Silverpoint Energy Services Inc. ("**Silverpoint**") as purchaser, but adopted by the Receiver as vendor (the "**Vendor**") and Silverpoint as purchaser (the "**Purchaser**"), a copy of which is attached as **Exhibit "1"** to the Second Report of the Proposed Receiver; **AND UPON** having read the Receivership Order dated August 6, 2019 (the "**Receivership Order**"), the Second Report of the Receiver, to be filed, the

Affidavit of Gerry Kerkhoff sworn July 10, 2019 and the pleadings and proceedings filed herein; AND UPON hearing the submissions of counsel for Bearstone and the Purchaser, and counsel for Nations and counsel for the Receiver and other interested parties appearing at the application;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this application, and time for service of this application is abridged to that actually given.

CAPITALIZED TERMS

2. Capitalized terms not otherwise defined herein shall have the respective meanings ascribed to them in the APA.

ADOPTION BY THE RECEIVER

3. The adoption of the APA by the Receiver and of the position of Bearstone under the APA is hereby approved and ratified.

APPROVAL OF THE TRANSACTION

4. The Transaction is commercially reasonable and in the best interests of the Bearstone and its stakeholders. The Transaction is hereby approved. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction or for the conveyance of the Purchased Assets to the Purchaser.

VESTING OF PROPERTY

5. Upon the delivery of a Receiver's Certificate to the Purchaser (or its nominee), substantially in the form set out in **Schedule "A"** hereto (the "**Receiver's Certificate**"), all of the Debtors' right, title and interest in and to the Purchased Assets described in the APA shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all security interests (whether contractual, statutory, registered or otherwise), hypothecs, caveats, interests, mortgages, trusts or deemed trusts (whether

contractual, statutory, registered or otherwise), liens, executions, levies, charges, or other financial or monetary claims, assignments, actions, taxes, judgments, writs of execution, options, agreements, disputes, debts, debentures, easements, covenants, encumbrances or other rights, limitations or restrictions of any nature whatsoever including, without limitation, any rights or interests of any creditors of the Debtors, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured, registered or otherwise and whether by payment, set-off or otherwise, whether liquidated, unliquidated or contingent (collectively, the "**Claims**") including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Consent Receivership Order; and
- (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system;

and, for greater certainty, this Court orders that all of the encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

6. From and after the closing of the Transaction (including the payment of the Purchase Price by the Purchaser), the Receiver is authorized to discharge from the Personal Property Registry any claim registered against any of the Personal Property being purchased by the Purchaser (or its nominee), to the extent the security interest is registered against the interests of Bearstone.
7. The Receiver is hereby authorized and directed to take all necessary steps and execute any and all documents to effect any and all discharges and the Registrars and all other persons in control of or otherwise supervising such offices of registration or recording shall forthwith remove and discharge all such registrations.
8. No further authorization or approval or any other action by any authority or regulatory body exercising jurisdiction over the Purchased Assets shall be required for the closing and post-closing implementation of the Transaction contemplated in the APA.

9. Notwithstanding anything else in this Order, the following alleged lien Claims under the Garage Keepers' Lien Act R.S.A. 2000, c. G-2 (the "GKLA") shall be unaffected by this Order and shall continue to attach to the Purchased Asset against which such alleged lien is claimed, the Purchaser (or its nominee) shall take title to such Purchased Asset subject to such alleged lien claim, and the lien claimant and the Purchaser (or its nominee) shall continue to have all rights and remedies available to it under the GKLA, including the right to enforce or contest the validity of such lien:

a. The garage keepers' lien claims of Dunlop Truck Centre against a 2011 Western Star with VIN 5KKPALDR9BPAZ1545 and registered in the Alberta Personal Property Registry on (i) April 3, 2019 in the amount of \$2,333.82 as registration number 19040337772 and (ii) on June 27, 2019 in the amount of \$8,870.68 as registration number 19062734228; and

b. The garage keepers' lien claims of Kal Tire A Corporate Partnership against:

i. A 2011 Kenworth with VIN 1NKDXBEX3BJ946734 and registered in the Alberta Personal Property Registry on February 21, 2019 in the amount of \$559.90 as registration number 19022132158;

ii. A 2013 Western Star with VIN 5KKPALDR7DPBS7588 and registered in the Alberta Personal Property Registry on May 21, 2019 in the amount of \$1,890.15 as registration number 19052126636;

iii. A 2012 Peterbilt with VIN 1NPTX4TX9CD153460 and registered in the Alberta Personal Property Registry on June 3, 2019 in the amount of \$989.11 as registration number 19060316767; and

iv. A 2013 Freightliner with VIN 1FVPGNDR5DDBY8178 and registered in the Alberta Personal Property Registry on April 30, 2019 in the amount of \$1,239.51 as registration number 19043023346.

10. The Purchase Price shall be paid by the discharge of secured indebtedness of Nations as provided in the APA. For certainty, notwithstanding any provision of this Order, Silverpoint, as Purchaser, shall assume the indebtedness owing by Bearstone to Nations as contemplated by the APA.
11. Except as provided for in the APA, the Purchaser (and its nominee, if any) shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against Bearstone or any affiliate of Bearstone and the Purchaser (or its nominee) shall not be deemed a successor of Bearstone or any of its affiliates for any Claims of any kind or nature whatsoever against Bearstone or any of its affiliates or against the Purchased Assets.
12. Bearstone and all persons who claim by, through or under Bearstone in respect of the Purchased Assets, shall stand absolutely barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental and equity of redemption in respect of or to the Purchased Assets and, to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any certificates, instruments or other indicia of title representing or evidencing any right, title, estate or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).
13. The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by Bearstone, or any person claiming by or through or against Bearstone.
14. The Receiver is to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof to the Purchaser (or its nominee).
15. Notwithstanding:
 - (a) the pendency of these proceedings;

- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of Bearstone and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of Bearstone

the vesting of the Purchased Assets in the Purchaser (or its nominee) pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of Bearstone and shall not be void or voidable by creditors of Bearstone, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

16. The Receiver, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.

MISCELLANEOUS MATTERS

17. 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 as 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.
18. This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.

19. Service of this Order on any party not attending this application is hereby dispensed with.

A handwritten signature in black ink, consisting of stylized initials and a surname, positioned above a horizontal line.

Justice of the Court of Queen's Bench of Alberta

SCHEDULE "A"

FORM OF RECEIVER'S CERTIFICATE PURSUANT TO PARAGRAPH 5 OF THIS
APPROVAL AND VESTING ORDER

COURT FILE NUMBER	1901 - 08251
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	NATIONS FUND I, LLC
DEFENDANTS	BEARSTONE ENVIRONMENTAL SOLUTIONS INC.
DOCUMENT	<u>RECEIVER'S CERTIFICATE</u>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	BENNETT JONES LLP Barristers and Solicitors 4500 Bankers Hall East 855 – 2 nd Street SW Calgary, Alberta T2P 4K7 Attention: Ken Lenz, Q.C. Telephone No.: 403.298.3317 Fax No.: 403.265.7219 Client File No.: 70924.7

RECITALS:

- A. Pursuant to an Order of the Honourable Madam Justice B. Romaine of the Court of Queen's Bench of Alberta (the "**Court**") dated August 6, 2019, KPMG Inc. was appointed as the receiver and manager (the "**Receiver**") of the assets, undertakings, and properties of Bearstone Environmental Solutions Inc. (the "**Debtor**").
- B. Pursuant to an Order of the Court dated August 6, 2019, the Amended and Restated Asset Purchase and Sale Agreement (the "**APA**") made between the Receiver and Silverpoint Energy Services Inc. (the "**Purchaser**") dated July 23, 2019, and provided for the vesting in the Purchaser of the Debtors' right, title and interest in and to the Purchased Assets as defined in the APA, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming: (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the APA have been satisfied or waived by the Receiver

and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

- C. Unless otherwise indicated herein, capitalized terms not otherwise defined have the meanings attributed to them in the APA.

THE RECEIVER CERTIFIES THE FOLLOWING:

1. The Purchaser has paid the Purchase Price for the Purchased Assets, payable at the Closing pursuant to the APA;
2. Any conditions to Closing as set out in the APA have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.

This Certificate was delivered by the Receiver at Calgary, Alberta on _____, 2019.

KPMG Inc., in its capacity as Court-appointed receiver and manager of the assets, undertakings, and properties of Bearstone Environmental Solutions Inc. and not in its personal capacity.

Per: _____