

COURT FILE NUMBER 1601-03126
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE Calgary
PLAINTIFF CALLIDUS CAPITAL CORPORATION
DEFENDANT ALKEN BASIN DRILLING LTD.

Clerk's Stamp

DOCUMENT **RECEIVER'S SECOND REPORT TO COURT**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
Gowling WLG (Canada) LLP
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Calgary, AB T2P 4K9
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File Number: A152711
Attention: Tom Cumming / Frank Lamie

INTRODUCTION

1. MNP Ltd. ("MNP") was appointed Receiver (in such capacity, the "**Receiver**") without security, of all of the assets, properties, and undertaking (the "**Property**") owned by Alken Basin Drilling Ltd. ("**Alken**" or the "**Debtor**") in accordance with an April 1, 2016 Court of Queen's Bench of Alberta (the "**Court**") Receivership Order, as subsequently amended by the Amended & Restated Receivership Order issued by the Court (together, the "**Receivership Order**"). A copy of the Receivership Order is attached as **Schedule "A"**.
2. Prior to its appointment as Receiver, MNP had been engaged by Alken as an Advisor (the "**Advisor**") to conduct an *en bloc* sales process of the Property (the "**Sales Process**"). In accordance with the Receivership Order, the Receiver was authorized to continue with the Sales Process initiated prior to its appointment.

PURPOSE OF THE REPORT

3. The purpose of this Second Report to Court (the "Second Report") is to provide the Court with information in respect of:
4. the Receiver's Activities;

5. the taking of the property of Alken by Link Ventures; and
6. an Order authorizing the emergency application for the return of property seized by Link Ventures, as more particularly described below.

DISCLAIMER

7. In preparing the Second Report and making the comments herein, the Receiver has been provided with, and has relied upon, certain unaudited, draft and/or internal financial information, the Debtor's books and records, discussions with employees and management of the Debtor and information from other third-party sources (collectively, the "**Information**"). Except as described in the Second Report, the Receiver has not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards of the Chartered Professional Accountants of Canada.

ACTIVITIES OF THE RECEIVER AND DEBTOR

8. In accordance with the Receivership Order, Alken remained in possession of the Property and exercised control over any proceeds, receipts, and disbursements arising out of or from the Property.

UNAUTHORIZED HOLDING OF PROPERTY

9. Link Ventures performed work on a 2005 International, VIN # 1HSMKAAN55H115849 (the "**Vehicle**") owned by Alken and issued an invoice dated November 12, 2015 for \$3,450.84 (the "**Invoice**"). The invoice was never signed by Alken or the Receiver. Link Ventures subsequently contacted Alken and advised that there was an error with the CVIC sticker provided by Link Ventures in respect of the Vehicle. The CVIC sticker was provided by Link Ventures in connection with road worthiness work performed by Link Ventures. Link Ventures requested that the Vehicle be brought to the premises of Link Ventures to receive a corrected CVIC sticker.
10. When the Vehicle was brought to Link Ventures' premises by an employee of Alken, the Vehicle was locked in the building, together with one of Alken's employees.
11. Both Link Ventures and their counsel were provided with copies of the Receivership Order the same day the Vehicle was seized.
12. Link Ventures subsequently indicated that they would not release the Vehicle unless all arrears were paid. Management of Alken contacted the Royal Canadian Mounted Police ("**RCMP**"), as

they were concerned about both the Vehicle and their employee, and Link Ventures requested that they have the opportunity to speak to their counsel, Dixon & Associates.

13. On April 25, 2016, nearly six months after the work was performed and the unsigned invoice was issued and nearly one month after the Receivership Order, Link Ventures registered a financing statement against the Vehicle and Alken at the Alberta Personal Property Registry claiming a Garage Keeper's lien in the amount of \$11,244.11.
14. Under paragraph 5(iii) of the Receivership Order, all individuals, firms, corporations are required to grant immediate and continued access to property of Alken in their possession to the Receiver.
15. Under paragraph 10 of the Receivership Order, all rights and remedies against Alken or affecting the property of Alken are stayed and suspended except with the written consent of the Receiver or the Court.
16. As of May 10, 2016, Link Ventures remained in possession of the Vehicle contrary to the Receivership Order.
17. Link Venture's actions in seizing the Vehicle constituted the exercise of a self-help remedy against Alken and its property which was stayed under the Receivership Order. Hence, the actions of Link Ventures were and remain in direct contravention of the Receivership Order.

RECOMMENDATIONS AND CONCLUSION

18. Based upon the Receivership Order, the Receiver requires immediate return of the Vehicle.
19. The Receiver notes that this Vehicle is required immediately to permit Alken to continue carrying on business, and that the failure of Link Ventures to comply with this demand will result in damages being suffered by Alken.
20. In the circumstances, the Receiver is of the view that an order should be made to compel Link Venture to return the Vehicle or to permit a representative of the Receiver to take the Vehicle from Link Venture's premises.
21. The Receiver, in the context of any Court proceeding to enforce its rights to obtain possession of the Vehicle, may have no choice but to seek damages for the losses suffered by the estate of Alken. In any event, the Receiver seeks its costs of this application and those costs incurred in relation to the recovery of the Vehicle on a full indemnity basis.
22. On the basis of the foregoing, the Receiver respectfully requests that this Court issue an Order:
 - (a) Compelling Link Ventures to return the Vehicle immediately to the Receiver;
 - (b) Authorizing the Receiver, or its representative, to enter onto the premises of Link Venture to retrieve the Vehicle if it is not returned by Link Ventures;

- (c) Authorizing the Receiver to seek the aid of the Calgary Police Services or the RCMP to retrieve the vehicle if it is not returned by Link Ventures;
- (d) Granting the Receiver its costs of this application and its costs incurred in connection with the recovery of the vehicle on a full indemnity basis; and
- (e) Such further and other relief as this Court deems just.

23. All of which is respectfully submitted this 12th day of May, 2016.

MNP Ltd.

In its capacity as Receiver of

Alken Basin Drilling Ltd.

And not in its personal capacity



Eric Sirrs

Senior Vice President

SCHEDULE "A"
Receivership Order
(See Attached)

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

Dated this 4 day of April, 2016

Clerk's Stamp

Ma
for Clerk of the Court



COURT FILE NUMBER: 1601-03126
COURT: COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE: CALGARY
APPLICANT: CALLIDUS CAPITAL CORPORATION
RESPONDENT: ALKEN BASIN DRILLING LTD.
DOCUMENT: RECEIVERSHIP ORDER

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT: LAWSON LUNDELL LLP, Barristers & Solicitors
3700, 205 - 5th Avenue S.W.
Calgary, Alberta T2P 2V7
Attention: William L. Roberts / Sarah J. Nelligan
Telephone: (403) 269-6900
Fax: (403) 269-9494

DATE ON WHICH ORDER WAS PRONOUNCED: April 1, 2016

NAME OF JUDGE WHO MADE THIS ORDER: The Honourable Mr. Justice D.B. Nixon

LOCATION OF HEARING: Calgary, Alberta

UPON the application of Callidus Capital Corporation ("Callidus") in respect of Alken Basin Drilling Ltd. ("Alken"); AND UPON having read the Application, the Affidavit of Craig Boyer sworn March 21, 2016; AND UPON reading the Report dated March 23, 2016 of MNP Ltd. (the "Receiver") filed; AND UPON hearing William L. Roberts, counsel for Callidus IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. The time for service of the notice of application for this order 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 sections 13(2) of the *Judicature Act*, R.S.A. 2000, c.J-2, 99(a) of the *Business Corporations Act*, R.S.A. 2000, c.B-9, and 65(7) of the *Personal Property Security Act*, R.S.A. 2000, c.P-7, MNP Ltd. is hereby appointed Receiver, without security, of all of Alken’s current and future assets, undertakings and properties, including all proceeds thereof as set out herein (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 to do any of the following where the Receiver considers it necessary or desirable:
 - (a) 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;
 - (b) 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;
 - (c) 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, provided that, for greater certainty, Alken will be permitted to continue to sell individual items of equipment from time to time with the prior written consent of the Receiver;

- (d) 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;
- (e) 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;
- (f) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (g) to enter into agreements with any trustee in bankruptcy appointed in respect of Alken, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by Alken; and
- (h) 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 Alken, and without interference from any other Person. For greater certainty, except to the extent subsequently ordered by this Court, the Receiver is not appointed as manager and shall not take possession or control of the Property or operate the business of Alken or employ any of Alken's employees, and Alken shall remain in possession and control of the Property (until, for greater certainty, such time as the Property is sold).

4. Notwithstanding the above, Alken shall remain in possession of and exercise control over any and all proceeds, receipts and disbursements arising out of or from the Property (other than as a result of the sale of all or any portion of the Property by the Receiver).

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

5. (i) Alken, (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.
6. 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 Alken, 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.
7. 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

8. 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 ALKEN OR THE PROPERTY

9. No Proceeding against or in respect of Alken 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 Alken 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 9; and (ii) affect a Regulatory Body's investigation in respect of Alken or an action, suit or proceeding that is taken in respect of Alken 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

10. All rights and remedies (including, without limitation, set-off rights) against Alken, 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 Alken to carry on any business which Alken is not lawfully entitled to carry on, (ii) exempt the Receiver or Alken 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

11. 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 Alken, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. All Persons having oral or written agreements with Alken 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 Alken 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 Alken, and this Court directs that Alken shall be entitled to the continued use of Alken'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 Alken in accordance with normal payment practices of Alken 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

13. 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

14. Subject to employees' rights to terminate their employment, all employees of Alken shall remain the employees of Alken until such time as the Receiver, on Alken'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*, S.C. 2005, c.47 ("WEPPA").
15. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 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 Alken, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. (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

17. 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

18. 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.
19. The Receiver and its legal counsel shall pass their accounts from time to time.
20. 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.

ALLOCATION

21. 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

22. The Receiver and its counsel are at liberty to serve or distribute this Order, any other orders, and any other materials as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding true copies thereof by electronic message to Alken's creditors, other interested parties, potential purchasers and their respective advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation and notice requirements, and the right to provide notice of existing or pending court orders, within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations* of Canada.
23. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
24. 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.
25. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of Alken.
26. 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.

27. 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.
28. The Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from Alken's estate with such priority and at such time as this Court may determine.
29. 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

30. The Receiver shall establish and maintain a website in respect of these proceedings 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.


Justice of the Court of Queen's Bench of Alberta

Clerk's stamp:

COURT FILE NUMBER: 1601-03126
COURT: COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE: CALGARY
APPLICANT: CALLIDUS CAPITAL CORPORATION
RESPONDENT: ALKEN BASIN DRILLING LTD.
DOCUMENT: CONSENT TO AMENDED & RESTATED RECEIVERSHIP ORDER

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION
OF PARTY
FILING THIS
DOCUMENT

Gowling Lafleur Henderson LLP
1600, 421 - 7th Avenue S.W.
Calgary, AB T2P 4K9

Telephone: (403) 298-1092
Facsimile: (403) 263-9193

File No. A152711

Attention: Frank Lamie


We, MNP Ltd., Callidus Capital Corporation, Hilda Bakuska, Bradley Bakuska, Nancy Hoover, and Kevin Baumann, by our Counsel, hereby consent to the issuance of the Amended & Restated Receivership Order with the sole revisions being (a) the title of the Amended & Restated Receivership Order; and (b) sub-paragraph 3(c)(i) now providing as follows:

- (i) without the approval of this Court in respect of any transaction not exceeding \$500,000, provided that the aggregate consideration for all such transactions does not exceed \$1,500,000; and

DATED this 6th day of April, 2016.

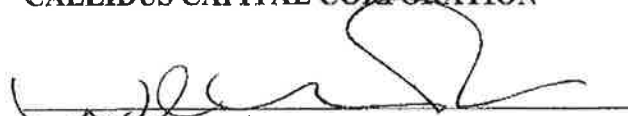
MNP LTD.

Per:


Name: Frank Lamie
Gowling WLG (Canada) LLP

CALLIDUS CAPITAL CORPORATION

Per:



Name: William Roberts
Lawson Lundell LLP

**HILDA BAKUSKA, BRADLEY BAKUSKA, &
NANCY HOOVER**

Per:

Name: James G. Hanley
MacDonald Hanley, Barristers & Solicitors

KEVIN BAUMANN

Per:

Name: Art Tralenburg
Art Tralenburg Law

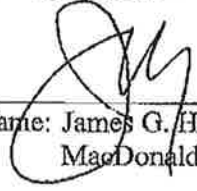
CALLIDUS CAPITAL CORPORATION

Per:

Name: William Roberts
Lawson Lundell LLP

**HILDA BAKUSKA, BRADLEY BAKUSKA, &
NANCY HOOVER**

Per:



Name: James G. Hanley
MacDonald Hanley, Barristers & Solicitors

KEVIN BAUMANN

Per:

Name: Art Tralenburg
Art Tralenburg Law

CALLIDUS CAPITAL CORPORATION

Per:

Name: William Roberts
Lawson Lundell LLP

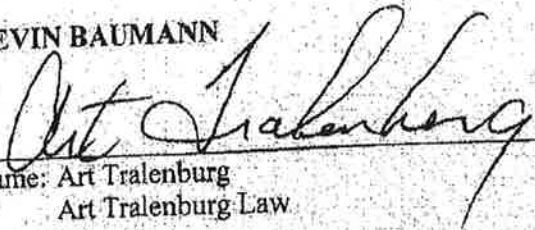
**HILDA BAKUSKA, BRADLEY BAKUSKA, &
NANCY HOOVER**

Per:

Name: James G. Hanley
MacDonald Hanley, Barristers & Solicitors

KEVIN BAUMANN

Per:



Name: Art Tralenburg
Art Tralenburg Law