

**QWEST DIVERSIFIED CAPITAL CORPORATION (ESTATE #25-094586) AND  
QWEST DIVERSIFIED ENERGY CORPORATION (ESTATE #25-094585) - IN RECEIVERSHIP  
THIRD INTERIM REPORT OF RECEIVER**

Subsection 246(2) of the *Bankruptcy and Insolvency Act*

**BACKGROUND**

Effective November 3, 2015, MNP Ltd. was appointed as Receiver and Manager (the "Receiver") of the assets, undertakings and properties of Qwest Diversified Capital Corporation and Qwest Diversified Energy Corp. ("Qwest" or the "Company") pursuant to an order (the "Receivership Order") granted by the Court of Queen's Bench of Alberta (the "Court").

A copy of the Receivership Order can be found on our website at [www.mnpdebt.ca/qwest](http://www.mnpdebt.ca/qwest).

Qwest is a Canadian based junior oil and gas exploration and production company and has developed a number of oil & gas wells in Alberta.

**ASSETS**

The Receiver took possession and control of the Company's assets on November 4, 2015.

In February 2016, the Receiver entered into a purchase and sale agreement in respect of the oil and gas property owned by the Company, but the sale was not completed.

Effective September 14, 2016, the Receiver disclaimed all the leases of the Company to the Alberta Energy Regulator.

**STATEMENT OF RECEIPTS AND DISBURSEMENTS**

The Receiver's Interim Statement of Receipts and Disbursements for the period November 3, 2015 to December 31, 2017, is attached as Appendix A.

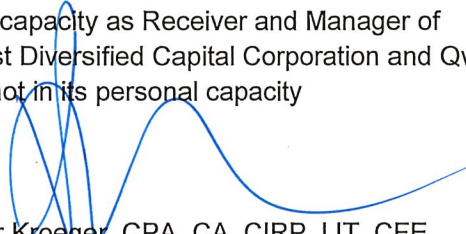
**PLAN OF ACTION**

The Receiver will be proceeding to its discharge.

Dated at Calgary, Alberta this 24<sup>th</sup> day of January, 2018.

MNP Ltd.

In its capacity as Receiver and Manager of  
Qwest Diversified Capital Corporation and Qwest Diversified Energy Corp.  
and not in its personal capacity



Victor Kroeger, CPA, CA, CIRP, LIT, CFE  
Senior Vice President

APPENDIX A

**Qwest Diversified Capital Corporation and  
Qwest Diversified Energy Corporation - In Receivership  
Interim Statement of Receipts and Disbursements  
For the Period November 3, 2015 to December 31, 2017**

**Receipts**

Third Party Guarantee	\$ 50,000.00
Net Receipts from Operations (Schedule 1)	(21,957.51)
Miscellaneous Refund	761.72
GST Refund	70,525.52
Interest Income	4.94
<b>Total Receipts</b>	<u>99,334.67</u>

**Disbursements**

Filing Fees	140.00
Insurance	5,885.00
Mail Redirection	163.75
Net GST Paid/Received	2,147.71
Receiver's Fees (Schedule 2)	8,551.25
Receiver's Legal Fees (Schedule 2)	78,925.59
<b>Total Disbursements</b>	<u>95,813.30</u>

**Excess of Receipts over Disbursements  
Represented by Cash in Bank**

\$ 3,521.37

Schedule 1

**Qwest Diversified Capital Corporation and  
Qwest Diversified Energy Corporation - In Receivership  
Net Receipts from Operations  
For the Period November 3, 2015 to December 31, 2017**

**Receipts**

Oil and Gas Revenues	
Bonavista	\$ 146,789.64
Pembina	353,293.25
Glencoe Resources Ltd.	1,764.22
	<u>501,847.11</u>

**Disbursements**

Field operations	259,480.95
Niven Fischer Energy Services Inc.	78,723.86
Production accounting	10,154.09
Royalty and lease payments	175,445.72
<b>Total Disbursements</b>	<u>523,804.62</u>

<b>Net Receipts from Operations</b>	<u><u>\$(21,957.51)</u></u>
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**Qwest Diversified Capital Corporation and Qwest Diversified Energy Corporation - In Receivership**  
**Interim Statement of Receipts and Disbursements**  
**For the Period November 3, 2015 to December 31, 2017**  
**Summary of Professional Fees**

Description	Invoice Number	Invoice Date	Fees \$	Disbursements \$	GST Exempt Disbursements \$	Subtotal \$	GST \$	Total \$	Amount Paid (Net of GST) \$
<b>Receiver's Fees and Disbursements</b>									
For the period November 3 to December 31, 2015	7496118	11-Jan-16	40,023.75	185.87	-	40,209.62	2,010.48	42,220.10	-
For the period January 1 to January 31, 2016	7531849	24-Feb-16	8,551.25	-	-	8,551.25	427.56	8,978.81	8,551.25
For the period February 1 to 29, 2016	7555071	15-Mar-16	8,675.00	34.11	-	8,709.11	435.46	9,144.57	-
For the period March 1 to 31, 2016	7604608	14-Apr-16	6,386.50	4.34	-	6,390.84	319.54	6,710.38	-
For the period April 1 to 30, 2016	7656960	06-May-16	5,314.00	-	-	5,314.00	265.70	5,579.70	-
For the period May 1 to 31, 2016	7689791	07-Jun-16	2,964.50	-	-	2,964.50	148.22	3,112.72	-
For the period June 1 to 30, 2016	7720474	22-Jul-16	5,956.50	-	-	5,956.50	297.82	6,254.32	-
For the period July 1 to 31, 2016	7736011	17-Aug-16	4,857.00	-	-	4,857.00	242.85	5,099.85	-
For the period August 1 to 31, 2016	7757251	19-Sep-16	3,511.00	-	-	3,511.00	175.55	3,686.55	-
For the period September 1 to 30, 2016	7783087	26-Oct-16	2,523.00	-	-	2,523.00	126.15	2,649.15	-
For the period October 1 to November 30, 2016	7814610	06-Dec-16	3,373.00	5.42	-	3,378.42	168.92	3,547.34	-
<b>Total - Receiver's Fees and Disbursements</b>			<b>92,135.50</b>	<b>229.74</b>	<b>-</b>	<b>92,365.24</b>	<b>4,618.25</b>	<b>96,983.49</b>	<b>8,551.25</b>

**Receiver's Legal Fees and Disbursements**

Description	Invoice Number	Invoice Date	Fees \$	Disbursements \$	GST Exempt Disbursements \$	Subtotal \$	GST \$	Total \$	Amount Paid (Net of GST) \$
<b>Parlee McLaws LLP</b>									
For the period ending November 30, 2015	666154	28-Nov-15	6,706.00	175.75	40.00	6,921.75	344.09	7,265.84	6,921.75
For the period December 1 to 31, 2015	667499	31-Dec-15	19,022.00	263.75	10.00	19,295.75	964.29	20,260.04	19,295.75
For the period January 1 to 31, 2016	669134	10-Feb-16	5,479.00	49.25	-	5,528.25	276.41	5,804.66	5,528.25
For the period February 1 to 29, 2016	671190	11-Mar-16	19,406.00	495.00	120.00	20,021.00	995.05	21,016.05	20,021.00
For the period March 1 to 31, 2016	674660	30-Apr-16	20,048.00	4,309.20	206.39	24,563.59	1,217.86	25,781.45	24,563.59
For the period April 1 to 30, 2016	675064	30-Apr-16	1,810.50	80.75	-	1,891.25	94.56	1,985.81	1,891.25
For the period May 1 to 31, 2016	676695	31-May-16	690.50	13.50	-	704.00	35.20	739.20	704.00
For the period June 1 to 30, 2016	678540	30-Jun-16	3,934.00	1.75	-	3,935.75	196.79	4,132.54	-
For the period July 1 to 31, 2016	680361	31-Jul-16	4,755.50	392.18	-	5,147.68	257.38	5,405.06	-
For the period August 1 to 31, 2016	682511	16-Sep-16	1,021.00	1.50	-	1,022.50	51.13	1,073.63	-
For the period September 1 to 30, 2016	684189	07-Oct-16	2,549.50	45.75	-	2,595.25	129.76	2,725.01	-
For the period October 1 to 31, 2016	686105	08-Nov-16	938.50	6.00	-	944.50	47.23	991.73	-
For the period November 1 to January 31, 2017	691284	31-Jan-17	1,104.50	7.50	-	1,112.00	55.60	1,167.60	-
For the period February 1 to March 31, 2017	694651	31-Mar-17	1,634.00	41.13	-	1,675.13	83.76	1,758.89	-
For the period April 1 to 30, 2017	696156	30-Apr-17	1,719.00	22.00	-	1,741.00	87.05	1,828.05	-
For the period May 1 to 31, 2016	697813	31-May-17	1,816.50	-	-	1,816.50	90.83	1,907.33	-
<b>Total - Receiver's Legal Fees and Disbursements</b>			<b>92,634.50</b>	<b>5,905.01</b>	<b>376.39</b>	<b>98,915.90</b>	<b>4,926.98</b>	<b>103,842.88</b>	<b>78,925.59</b>