

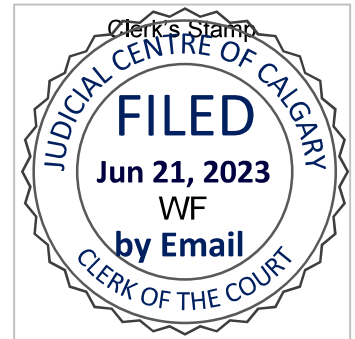
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COURT FILE NUMBER 2201-09319
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
**IN THE MATTER OF THE RECEIVERSHIP OF
SOLVAQUA INC.**
APPLICANT **MNP LTD. in its capacity as court-appointed
Receiver of SOLVAQUA INC.**
DOCUMENT **APPLICATION BY MNP LTD. in its capacity
as court-appointed Receiver of SOLVAQUA
INC.**
ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS DOCUMENT Cassels Brock & Blackwell LLP
Bankers Hall West
3810, 888 3rd St SW
Calgary, AB T2P 5C5

P: 403 351 2920
E: joliver@cassels.com / dmarechal@cassels.com

Attention: Jeffrey Oliver / Danielle Marechal

File No. 49076-20



\$50.00
COM
July 13, 2023

NOTICE TO RESPONDENTS:

This application is made against you. You are a respondent. You have the right to state your side of this matter before the master/judge.

To do so, you must be in Court when the application is heard as shown below:

Date: Thursday, July 13, 2023
Time: 10:00 am
Where: Calgary Courts Centre (via Webex)
Before Whom: The Honourable Justice C. M. Jones (Commercial List)

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. MNP Ltd. ("**MNP**") in its capacity as receiver (in such capacity, the "**Receiver**") of the current and future assets, property and undertakings of SolvaQUA Inc. (the "**Debtor**") seeks the following:
 - a. an order substantially in the form of **Schedule "A"** attached hereto:

- i. if necessary, abridging the time for service of this application (the “**Application**”) and the supporting Second Report of the Receiver, dated June 19, 2023 (the “**Second Report**”) and declaring service to be good and sufficient;
 - ii. approving the Stalking Horse Agreement (as defined in the Second Report), substantially in the form attached as Schedule “1” to the Second Report, and the Amending Agreement between the Receiver and 2464525 Alberta Ltd. (the “**Purchaser**”), dated June 19, 2023 (the “**Amending Agreement**” and together with the Stalking Horse Agreement, the “**Amended APA**”), substantially in the form attached as Schedule “2” to the Second Report;
 - iii. declaring the Purchaser to be the Successful Bidder under the SISP; and
 - iv. vesting the right, title and interest in and to the Purchased Assets (as defined in the Amended APA) in the Purchaser, free and clear of all claims and encumbrances, other than the Permitted Encumbrances (as defined in the Amended APA);
- b. an order substantially in the form of **Schedule “B”** attached hereto:
- i. if necessary, abridging the time for service of the Application and the supporting Second Report and declaring service to be good and sufficient;
 - ii. approving the conduct and activities of the Receiver as described in the Second Report, provided that only the Receiver, in its personal capacity and with respect to its own personal liability, shall be entitled to rely upon or utilize such approval,
 - iii. Approving the Receiver’s interim statement of receipts and disbursements for the period from August 19, 2022 to June 16, 2023, as set out in the Second Report;
 - iv. approving the professional fees and disbursements of the Receiver for the period of October 1, 2022 to May 31, 2023, along with the estimated fees and disbursements to complete the administration of the estate;
 - v. approving the professional fees and disbursements of the Receiver’s legal counsel for the period of October 9, 2022 to May 31, 2023, along with the estimated fees and disbursements to complete the administration of the estate;
 - vi. discharging the Receiver as the court-appointed receiver of the assets, undertakings and properties of the Debtor and declaring that the Receiver has

satisfied its obligations under and pursuant to the terms of the Receivership Order granted in the within proceedings, up to and including the date hereof; and

vii. declaring that the Receiver is not liable for any act or omission on its party, 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

c. such further and other relief as this Honourable Court deems appropriate.

Grounds for making this application:

Background

2. On August 19, 2022, this Honourable Court granted a receivership order (the “**Receivership Order**”), pronouncing MNP as Receiver of the current and future assets, property and undertakings of the Debtor.
3. Among other things, the Receivership Order granted a stay of all proceedings against the Debtor and Receiver, authorized the Receiver to take immediate possession and control of the Property (as defined in the Receivership Order) and to market and sell the Property out of the ordinary course of business, subject to Court approval.
4. The Debtor was incorporated in Alberta in 2019 and prior to the date the Receivership Order was pronounced, was in the business of providing proprietary wastewater management solutions utilizing nano-polymerization technology to enable geographically isolated areas to reuse water, thereby decreasing freshwater usage (the “**Business**”). As of the date of the Receiver’s appointment, the Debtor had very limited operations.
5. To the best of the Receiver’s knowledge, as at the date of its appointment, the Debtor’s main assets were as follows:
 - a. cash in the approximate amount of \$200;
 - b. equipment and chemicals, primarily consisting of wastewater management units in various stages of completion (the “**Equipment**”);
 - c. potential litigation claims that SolvAQUA may have arising out of various payments made by SolvAQUA to third-parties;

- d. potential claims against third parties for alleged breaches of contracts and corresponding insurance claims related to coverage provided by Export Development Canada; and
 - e. potential eligibility for scientific research and development tax credits.
6. The Purchaser is the Debtor's primary secured creditor and as at the date of the Receiver's appointment, the Debtor was indebted to the Purchaser in the approximate amount of \$7,900,000 (the "**Indebtedness**").
7. On October 20, 2022, this Honourable Court granted an order (the "**Sale Process Order**") that, among other things:
- a. approved a sale and investment solicitation process, which included the use of the Stalking Horse Agreement (the "**Sale Process**"); and
 - b. authorized the Receiver to commence and conduct the Sale Process.
8. An overview of the Sale Process is set out in the First Report of the Receiver dated October 11, 2022 (the "**First Report**") at paragraphs 21 to 28.

Outcome of the SISP

9. As is more fully set out in the Second Report, the Receiver conducted the Sale Process in accordance with the Sale Process Order. Only three parties executed confidentiality agreements and viewed the information contained in the electronic data room. The Receiver did not receive any offers by the bid deadline on November 23, 2023.
10. As no bids were received, the Receiver determined that the Stalking Horse Agreement (as amended) was the Successful Bid in the Sale Process.
11. The Stalking Horse Agreement has been amended in order to add certain equipment and remove other equipment from the purchased assets (as a result of, among other things, an unresolved ownership claim from Rotating Right (2016) Inc.), reduce the purchase price as a result of the removal of such changes, add a condition regarding the determination of a claim by Export Development Canada against certain of the equipment, and extend the closing date.

Approval of the Amended APA

12. The key terms of the Amended APA are summarized at paragraph 24 of the Second Report. Among others, it includes the following key terms:

- a. the Purchased Assets (as defined in the Amended APA) include substantially all of the Assets of the Debtor other than the Excluded Assets (as defined in the Amended APA);
- b. the sale of the Purchased Assets is on an “as is, where is” basis, with the exception of the Vivakor Equipment, which remains subject to the Rotating Right Storage Claim (as defined in the Second Report);
- c. the purchase price is comprised of:
 - i. a cash payment in an amount sufficient to satisfy the Priority Payables and the Holdback Amount (each as defined in the Amended APA);
 - ii. a deposit in the amount of \$100,000; and
 - iii. a non-cash payment in the amount of \$1,000,000, to be applied as a credit reductions of the Indebtedness;
- d. the closing of the transaction contemplated by the Amended APA is conditional on, among other things:
 - i. the Purchaser being the Successful Bidder under the Sale Process;
 - ii. approval of the sale of by this Honourable Court and the granting of the Vesting Order (as defined in the Amended APA); and
 - iii. a determination that (i) EDC has no ownership or equitable interest in the Purchased Assets; and (ii) any security interest in the Equipment (if at all) is subordinate to the Arnaki Security (the “EDC Condition”).

13. The Receiver recommends the approval of the Amended APA because (among other things):

- a. the Sales Process was transparent;
- b. the Property was sufficiently exposed to the market;
- c. the outcome of the Sales Process would not have been different notwithstanding the Amending Agreement, which reduced the Purchase Price and amended the Excluded Equipment, as no other offers for the Property have been received;
- d. Arnaki, the primary secured creditor is support of the Amended APA; and

- a. the only substantive conditions of the Amended APA remaining are the EDC Condition and the approval of the Amended APA by this Honourable Court and the granting of a vesting order.

Activities of the Receiver

14. The Receiver's conduct and activities as described in the Second Report are lawful and proper and consistent with the Receiver's powers and duties under the Receivership Order.
15. The receipts and disbursements of the Receiver as described in the Second Report, are commensurate with the work performed, commercially fair and reasonable and should be approved.

Approval of Professional Fees

16. The accounts of the Receiver for the period of October 1, 2022 to May 31, 2023 total approximately \$104,100, inclusive of GST.
17. The accounts of the Receiver's legal counsel for the period of October 9, 2022 to May 31, 2023 total approximately \$127,700, inclusive of GST.
18. The Receiver estimates that further professional fees of approximately \$15,800, inclusive of GST, and approximately \$36,800, inclusive of GST) for the Receiver and its counsel respectively, will be required to complete the administration of the receivership.
19. The invoices rendered by the Receiver and its counsel are commensurate with the work performed, commercially fair and reasonable and were valid incurred in accordance with the provisions of the Receivership Order.

Discharge of Receiver

20. Since its appointment, the Receiver has performed its mandate as Receiver under the Receivership Order.
21. Subject to the completion of the transaction contemplated by the Amended APA and the distribution to the Purchaser as outlined in the Second Report, the administration of the receivership proceedings is substantially complete and it is appropriate to terminate the receivership proceedings and discharge the Receiver in the circumstances.

22. The Receiver has acted diligently since its appointment and has undertaken those activities described further in the First Report and Second Report, which actions are lawful, proper and consistent with the Receiver's powers and duties under the Receivership Order.

Material or evidence to be relied on:

1. Receivership Order pronounced by the Honourable Justice R.A. Neufeld on August 19, 2022 and filed August 24, 2022;
2. First Report of the Receiver dated October 11, 2022, filed October 12, 2022;
3. Order Approving Sale & Investor Solicitation Process and Stalking Horse Bid, granted and filed October 20, 2022;
4. Second Report of the Receiver dated June 20, 2023;
5. Affidavit of Service to be sworn and filed in these proceedings; and
6. such further and other materials as counsel may advise and this Honourable Court may permit.

Applicable rules:

7. The *Alberta Rules of Court*, including Rules 1.2, 1.3, 1.4, 6.1, 6.2, and 6.3; and 6.47.

Applicable Acts and regulations:

8. *Bankruptcy and Insolvency Act*, RSC 1985, c B-3;
9. *Judicature Act*, RSA 2000, c J-2;
10. *Personal Property Security Act*, RSA 2000, c P-7; and
11. such further and other acts and regulations as counsel may advise and this Honourable Court may permit.

Any irregularity complained of or objection relied on:

12. None

How the application is proposed to be heard or considered:

13. Commercial List, via WebEx.

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"
SALE APPROVAL AND VESTING ORDER

See attached.

SCHEDULE "A"

COURT FILE NUMBER 2201-09319
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF ARNAKI LTD.
DEFENDANT SOLVAQUA INC.
DOCUMENT **APPROVAL AND VESTING ORDER
(Sale by Receiver)**

Clerk's Stamp

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
Cassels Brock & Blackwell LLP
Bankers Hall West
3810, 888 3rd St SW
Calgary, AB T2P 5C5

P: 403 351 2920
E: joliver@cassels.com / dmarechal@cassels.com

Attention: Jeffrey Oliver / Danielle Marechal

File No. 49076-20

DATE ON WHICH ORDER WAS PRONOUNCED: July 13, 2023

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta (via Webex)

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice C.M. Jones

UPON THE APPLICATION by MNP Ltd. in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertakings, property and assets of SolVAQUA Inc. (the "**Debtor**") for an order, *inter alia*: (i) approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**APA**") between the Receiver and 2464525 Alberta Ltd. (the "**Purchaser**") dated October 17, 2022 and amended by the amending agreement between the Receiver and the Purchaser dated June 19, 2023 (the "**Amending Agreement**" and together with the APA the "**Sale Agreement**"), each as appended to the Second Report of the Receiver dated June 20, 2023 (the "**Report**"); and (ii) vesting in the Purchaser (or its nominee) the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**");

AND UPON HAVING READ the Receivership Order dated August 19, 2022 (the "**Receivership Order**"), the First Report of the Receiver dated October 11, 2022, the Report and the Affidavit of Service;

AND UPON HEARING the submissions of counsel for the Receiver, the Purchaser and any other interested parties in attendance;

IT IS HEREBY ORDERED AND DECLARED THAT:**GENERAL**

1. All capitalized terms not otherwise defined in this Order shall have the meaning given to them in the Report.
2. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, 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.

APPROVAL OF TRANSACTION

3. Pursuant to the Sales Process approved by this Honourable Court on October 20, 2022, the Purchaser is hereby declared to be the Successful Bidder and the Sale Agreement is hereby declared to be the Successful Bid, and all other Qualified Bids (if any) are hereby rejected.
4. The Transaction is hereby approved and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for completion of the Transaction and conveyance of the Purchased Assets to the Purchaser (or its nominee).

VESTING OF PROPERTY

5. Upon 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 Closing Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets listed in **Schedule "B"** hereto shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, "**Claims**") including, without limiting the generality of the foregoing:
 - (a) any encumbrances or charges created by the Receivership Order;
 - (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system;
and

- (c) those Claims listed in **Schedule “C”** hereto (all of which are collectively referred to as the **“Encumbrances”**, which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule “D”** (collectively, **“Permitted Encumbrances”**));

and for greater certainty, this Court orders that all Claims including Encumbrances, other than the Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

6. Upon delivery of the Receiver’s Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, **“Governmental Authorities”**) are hereby authorized, requested and directed to accept delivery of such Receiver’s Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser or its nominee clear title to the Purchased Assets subject only to the Permitted Encumbrances. Without limiting the foregoing the Registrar of the Alberta Personal Property Registry (the **“PPR Registrar”**) shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than the Permitted Encumbrances) in the estate or interest of the Debtor in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.
7. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Receiver’s Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims including Encumbrances but excluding the Permitted Encumbrances.
8. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Sale Agreement.
9. The seizure of North River Limited Partnership as against Rotating Right (2016) Inc. (**“Rotating Right”**) dated December 20, 2021 is hereby terminated and released effective immediately.
10. For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Purchased Assets (to be held in a non-interest bearing trust account by the Receiver) shall stand

in the place and stead of the Purchased Assets from and after delivery of the Receiver's Closing Certificate and all Claims including Encumbrances (but excluding the Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

11. Except as expressly provided for in the Sale Agreement or by section 5 of the Alberta *Employment Standards Code*, the Purchaser (or its nominee) shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtor.
12. Upon completion of the Transaction, the Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever 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 artifacts, 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 the Debtor, or any person claiming by, through or against the Debtor.
14. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.
15. The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate forthwith after delivery thereof to the Purchaser (or its nominee).
16. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada) and section 20(e) of the Alberta *Personal Information Protection Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser (or its nominee) all human resources and payroll information in the Debtor's records pertaining to the Debtor's past and current employees. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is

in all material respects identical to the prior use (of such information) to which the Debtor was entitled.

MISCELLANEOUS MATTERS

17. Notwithstanding:
- (a) the pendency of these proceedings and any declaration of insolvency made herein;
 - (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended (the “**BIA**”), in respect of the Debtor, and any bankruptcy order issued pursuant to any such applications;
 - (c) any assignment in bankruptcy made in respect of the Debtor; and
 - (d) the provisions of any federal or provincial statute:
- 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 the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA 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.
18. The Receiver, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and direction 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.
19. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, 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 order and to provide such assistance to the Receiver, as an officer of the 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.
20. Service of this Order shall be deemed good and sufficient by:
- (a) Serving the same on:

- (i) the persons listed on the service list created in these proceedings;
 - (ii) any other person served with notice of the application for this Order;
 - (iii) any other parties attending or represented at the application for this Order;
 - (iv) the Purchaser or the Purchaser's solicitors; and
- (b) Posting a copy of this Order on the Receiver's website at:
<https://mnpdebt.ca/en/corporate/corporate-engagements/solvaqua-inc>.

and service on any other person is hereby dispensed with.

21. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

Justice of the Court of King's Bench of Alberta

Schedule "A"**Form of Receiver's Certificate**

COURT FILE NUMBER	2201-09319
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	ARNAKI LTD.
DEFENDANT	SOLVAQUA INC.
DOCUMENT	RECEIVER'S CERTIFICATE

Clerk's Stamp

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Cassels Brock & Blackwell LLP Bankers Hall West 3810, 888 3rd St SW Calgary, AB T2P 5C5
---	--

P: 403 351 2920

E: joliver@cassels.com / dmarechal@cassels.com**Attention: Jeffrey Oliver / Danielle Marechal**

File No. 49076-20

RECITALS

- A. Pursuant to an Order of the Honourable Justice Neufeld of the Court of King's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated August 19, 2022, MNP Ltd. was appointed as the receiver (the "**Receiver**") of the undertakings, property and assets of SolVAQUA Inc. (the "**Debtor**").
- B. Pursuant to an Order of the Court dated July 13, 2023, the Court approved the agreement of purchase and sale made as of October 17, 2022 (the "APA") and the amending agreement dated June 19, 2023 (the "**Amending APA**" and together with the APA, the "**Sale Agreement**"), each as between the Receiver and 2464525 Alberta Ltd. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, 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 Sale Agreement 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 have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser (or its nominee) has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at **[Time]** on **[Date]**.

MNP Ltd., in its capacity as Receiver of the undertakings, property and assets of SolvAQUA Inc., and not in its personal capacity.

Per; _____

Name:

Title:

Schedule "B"**Purchased Assets**

Terms not otherwise defined herein shall have the meaning ascribed to them in the Purchase Agreement. The Purchased Assets consist of all of the Debtor's right, title and interest in, to and under all of the tangible and intangible assets, properties and rights of every kind and nature and wherever located, other than the Excluded Assets, which relate to or are used or held for use in connection with the Business, including the following:

- a) the Vivakor Equipment,;
- b) the SolvAQUA Claims;
- c) all accounts receivable, notes receivable and negotiable instruments of the Business;
- d) all prepaid charges and expenses of the Business;
- e) all inventory, finished goods, raw materials, work in progress, packaging, supplies, parts and other inventories of the Business;
- f) all equipment and other tangibles assets of the Debtor other than the Excluded Equipment, including all water treatment equipment, vehicles, tools, parts and supplies, fuel, machinery, furniture, furnishing, appliances, fixtures, office equipment and supplies, owned and licensed computer hardware and related documentation, stored data, communication equipment, trade fixtures and leasehold improvement, in each case, with any transferable warranty and service rights of the Debtor related thereto;
- g) all Contracts;
- h) all Intellectual Property;
- i) all goodwill and intangibles;
- j) all books and records;
- k) all rights under insurance contracts and policies;
- l) all telephone numbers, fax numbers and email addresses;
- m) all non-disclosure agreements entered into by the Receiver on behalf of the Debtor in connection with the Sales Process;

- n) all other additional assets, properties, privileges, rights and interest of the Debtor relating to the Business or the assets of the Debtor of every kind and description and wherever located, whether known or unknown, fixed or unfixed, accrued, absolute, contingent or otherwise, and whether or not specifically referred to in this Agreement; and
- o) the Assumed Liabilities.

Schedule "C"
Encumbrances

Alberta Personal Property Registry

Registration No.	Registration Date	Registration Type	Debtor	Secured Party
20091025542	2020-Sep-10	SECURITY AGREEMENT	SOLVAQUA INC.	ARNAKI LTD.
20091025589	2020-Sep-10	LAND CHARGE	SOLVAQUA INC.	ARNAKI LTD.
22082421655	2022-Aug-24	SECURITY AGREEMENT	SOLVAQUA INC.	EXPORT DEVELOPMENT CANADA
21122127949	2021-Dec-21	Report of Seizure	ROTATING RIGHT (2016) INC.	NORTH RIVER LIMITED PARTNERSHIP

Schedule "D"

Permitted Encumbrances

Any and all Encumbrances held by Rotating Right (2016) Inc. in and to the Vivakor Equipment (as defined in the Sale Agreement).

SCHEDULE "B"
DISCHARGE ORDER

See attached.

Schedule "B"

COURT FILE NUMBER 2201-09319
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF ARNAKI LTD.
DEFENDANT SOLVAQUA INC.
DOCUMENT **DISCHARGE ORDER**

Clerk's Stamp

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
Cassels Brock & Blackwell LLP
Bankers Hall West
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Attention: Jeffrey Oliver / Danielle Marechal

DATE ON WHICH ORDER WAS PRONOUNCED: July 13, 2023

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, AB (via Webex)

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice C.M. Jones

UPON THE APPLICATION by MNP Ltd. in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**") of the undertakings, property and assets of SolvAqua Inc. (the "**Debtor**") and for, among other things, an Order, approving the Receiver's conduct and activities; approving the professional fees and disbursements and for discharge of the Receiver; **AND UPON HAVING READ** the Second Report of the Receiver dated June 20, 2023 ("**Second Report**") and the Affidavit of Service; **AND UPON HEARING** the submissions of counsel for the Receiver and any other parties in attendance;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Service of this application (the "**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.
2. Terms not otherwise defined herein have the meaning ascribed to them in the Application or the Second Report, as applicable.

Approval of Professional Fees

3. The Receiver's accounts for fees and disbursements as set out in the Second Report, including any estimated fees and disbursements to complete the administration of the estate, are hereby approved without the necessity of a formal assessment of its accounts.
4. The accounts of the Receiver's legal counsel, Cassels Brock & Blackwell LLP, for its fees and disbursements as set out in the Second Report, including any estimated fees and disbursements to complete the administration of the estate, are hereby approved without the necessity of a formal assessment of its accounts.

Actions of Receiver

5. The Receiver's conduct and activities as set out in the Second Report are hereby ratified and approved, provided that only the Receiver, in its personal capacity and with respect to its own personal liability, shall be entitled to rely upon or utilize such approval.
6. The Receiver's Interim Statement of Receipts and Disbursements as set out in the Second Report, is hereby ratified and approved.

Final Distribution

7. The Receiver is authorized and directed to:
 - (a) holdback funds in the amount of \$75,000 (the "**Holdback**") and distribute all or a portion of the Holdback for the payment of any Priority Payables (as defined in the Stalking Horse APA) including without limitation, unpaid GST or source deductions; and
 - (b) make a distribution to Arnaki Ltd. ("**Arnaki**") of any residual Holdback amount following the payment of the Priority Payables.

Discharge of the Receiver

8. 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 in fraud, gross negligence or willful 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.

9. No action or other proceedings 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.
10. Upon the Receiver filing with the Clerk of the Court a certificate of a Licensed Insolvency Trustee employed by the Receiver confirming that:
 - (a) the transaction contemplated in the Sale Agreement has been completed; and
 - (b) all other matters set out in paragraph 35 of the Second Report have been completed.

then the Receiver shall be discharged as Receiver of the Debtor, 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.

Service

11. Service of this Order shall be deemed good and sufficient by serving the same on the persons and via the method listed on the service list created in these proceedings and by posting a copy of this Order on the Receiver's website at: <https://mnpdebt.ca/en/corporate/corporate-engagements/solvaqua-inc>. Service is deemed to be effected on the next business day following the transmission or delivery of such documents.
12. Service of this Order on any party not listed on the service list or in attendance of this Application is hereby dispensed with.

Justice of the Court of King's Bench of Alberta