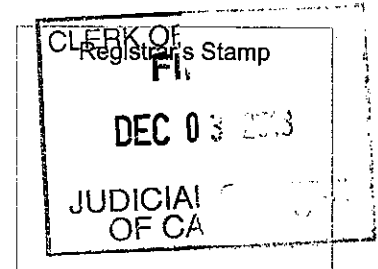


COURT FILE NO. 1701-13518
COURT COURT OF QUEEN'S BENCH
OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF STREAM ASSET FINANCIAL SPARK LP
DEFENDANTS BLAZE ENERGY LTD. and WILD ROSE ENERGY
LTD.
DOCUMENT **APPLICATION FOR DISCHARGE ORDER**



ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT

Fasken Martineau DuMoulin LLP
3400 First Canadian Centre
350 – 7th Avenue S.W.
Calgary, Alberta T2P 3N9

Attention: Travis Lysak / Mihai Tomos
Telephone: (403) 261-5350 / (587) 233-4107
Facsimile: (403) 261-5351
Email: tlysak@fasken.com / mtomos@fasken.com
File No.: 301498.00002

NOTICE TO RESPONDENT(S):

This application is made against you. You are the respondent.

You have the right to state your side of this matter before the judge.

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

Date: December 10, 2018

Time: 2:00 p.m.

Where: Calgary Court Centre, 601 - 5 Street S.W., Calgary, Alberta, T2P 5P7

Before Whom: The Honourable Justice J.T. Eamon

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. A Discharge Order, substantially in the form attached as **Schedule "A"**, providing for, among other things:
 - a. the Discharge of the Receiver as receiver of Blaze Energy Ltd. and Wild Rose Energy Ltd. (collectively, the "**Debtor**");
 - b. the approval of the Receiver's activities, including the fees and expenses of the Receiver and the Receiver's Counsel, as set forth in the third report of the Receiver dated December 3, 2018 (the "**Third Report**");
 - c. the approval of the Final Stream Distribution to Stream and payment of the Linear Arrears into Court, as set out in the Third Report; and
 - d. such further and other relief as may be sought by the Receiver and this Honourable Court may permit.

Grounds for making this application:

The grounds for making this application are set out more fully in the Third Report, but can be summarized as follows:

(A) Background

2. Any capitalized term not defined in the Application shall take the meaning ascribed to it in the Third Report.
3. On October 12, 2017, pursuant to an Order of the Honourable Justice Jones (the "**Receivership Order**"), FTI Consulting Canada Inc. was appointed as receiver and manager (the "**Receiver**") of certain assets, undertakings and properties of Blaze Energy Ltd. ("**Blaze**") and Wild Rose Energy Ltd. ("**Wild Rose**" and, together with Blaze, the "**Debtor**").
4. The Receivership Order empowers and authorizes, but does not obligate, the Receiver to, among other things, manage, operate and carry on the business of the Debtor and to take possession and control of the Property and any and all proceeds, receipts and disbursements

arising out of or from the Property, and to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business.

(B) The Third Report

5. The Receiver's actions and activities and the summary of receipts and disbursements, as described in the Third Report, are lawful, proper, and consistent with its powers under the Receivership Order.

(C) Professional Fees

6. All of the actions in respect of the professional fees and disbursements incurred by the Receiver and its legal counsel during the course of the administration of the within proceedings are reasonable, have been validly incurred in connection with the discharge of the Receiver's obligations, which have been dutifully performed, and now have been completed or are about to be completed.

(D) Discharge

7. Subject to the Receiver making the distributions contemplated herein, the Receiver will have completed its duties and obligations under the Receivership Order and it should be released from any and all claims and obligations arising as a result of the Receiver acting in its capacity as Receiver of the Debtor, excepting those claims and obligations that arise as a result of gross negligence or willful misconduct.

(E) Distribution and Payment into Court

8. Stream's security as against the Debtor is valid and enforceable and ranks in priority to all remaining creditors of the Debtors and the indebtedness owed to Stream by the Debtors exceeds the recoveries made by the Receiver in the receivership.
9. Payment of the Linear Arrears into Court will allow: (a) Stream Asset Financial Spark LP and Yellowhead County to make their own application to have the funds released; and (b) the Receiver to move forward with seeking its discharge.

Material or evidence to be relied on:

10. The Third Report of the Receiver dated December 3, 2018.

11. Affidavit of Service.

12. The other pleadings and materials filed in this Action and such further and other material as counsel may advise and this Honourable Court may permit.

Applicable rules:

13. Rules 1.3, 1.4, 6.3, and 13.5(2) of the *Rules of Court*; and

14. Such further and other rules as counsel may advise and this Honourable Court may permit.

Applicable Acts and Regulations:

15. *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3;

16. *Judicature Act*, R.S.A. c. J-2; and

17. Such further and other Acts and Regulations as counsel for the Receiver may advise or this Honourable Court may permit.

Any irregularity complained of or objection relied on:

16. Not applicable.

How the application is proposed to be heard or considered:

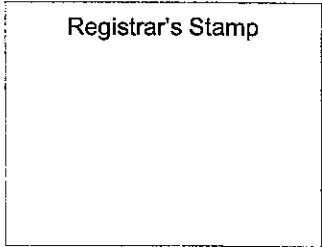
17. Before the presiding Honourable Justice J.T. Eamon in Chambers.

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"
Discharge Order

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File No.: 301498.00002

Date on which Order was pronounced: December 10, 2018
Location where Order was pronounced: Calgary, Alberta
Name of Justice who made this Order: The Honourable Justice J.T. Eamon

UPON HEARING the Application of FTI Consulting Canada Inc., in its capacity as court-appointed receiver (the “**Receiver**”) of certain assets, undertakings, and properties of Blaze Energy Ltd. and Wild Rose Energy Ltd. (collectively, the “**Debtor**”); **AND UPON HAVING READ** the Application, the Third Report of the Receiver dated December 3, 2018 (the “**Third Report**”), and other materials filed in the within proceedings; **AND UPON HEARING** the submissions of counsel for the Receiver and any other interested parties appearing at the hearing of the within Application;

IT IS HEREBY ORDERED THAT:

GENERAL

1. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Third Report.
2. 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.

ACCOUNTS AND ACTIVITIES

3. The Receiver's accounts for fees and disbursements, as set out in the Third Report, are hereby approved without the necessity of a formal passing of its accounts.
4. The accounts of the Receiver's legal counsel, Fasken Martineau DuMoulin LLP, for its fees and disbursements, as set out in the Third Report, are hereby approved without the necessity of a formal assessment of its accounts.
5. The Receiver's activities as set out in the Third Report and the Schedule of Receipts and Disbursements as attached to the Third Report are hereby ratified and approved.

DISTRIBUTIONS

6. The Receiver is hereby authorized and directed to make:
 - (a) a final distribution to Stream in the amount of \$335,910; and
 - (b) a payment into Court in the amount of \$41,491.42 with respect to the Linear Arrears claimed by the Yellowhead County with respect to property taxes.

DISCHARGE

7. 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.

8. 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.
9. Upon the Receiver filing with the Clerk of the Court a Receiver's Certificate confirming that: (a) all matters set out in paragraph 6 of this Order have been completed; and (b) the Receiver's remaining administrative tasks have been completed, the Receiver shall be unconditionally and absolutely discharged as Receiver of the Debtor and the Receiver shall have no further duty, liability or obligation with respect to the Property, 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.
10. As soon as possible after the granting of this Order, the directors of the Debtor shall be provided with an opportunity by the Receiver to collect the books and records of the Debtor ("**Books and Records**"). If the directors do not collect the Books and Records on or before January 11, 2018 the Receiver is hereby authorized to immediately destroy the Books and Records.

SERVICE

11. This Order shall be sufficiently served by serving the same on the service list, in the same manner as the Application was served and by posting a copy of the same on the Receiver's website at: <http://cfcanafticonsulting.com/Blaze/>.
12. Service of this Order on any other interested person in any other manner than set out above is hereby dispensed with.

Justice of the Court of Queen's Bench of Alberta