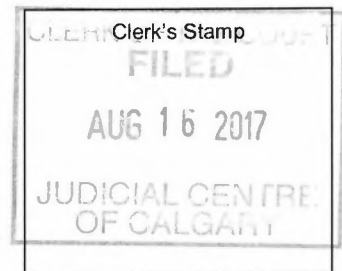


COURT FILE NUMBER: 1701- 10909
COURT: COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE: CALGARY
APPLICANT: RAZOR ENERGY CORP.
RESPONDENTS: BLENDFORCE ENERGY SERVICES INC.
AND FORTALEZA ENERGY INC.



DOCUMENT

APPLICATION

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT: McCarthy Tétrault LLP
Barristers & Solicitors
4000, 421 – 7th Avenue SW
Calgary, Alberta T2P 4K9
Attention: Sean F. Collins / Pantelis Kyriakakis
Phone: 403-260-3531 / 403-260-3536
Fax: 403-260-3501
Email: scollins@mccarthy.ca / pkyriakakis@mccarthy.ca

NOTICE TO RESPONDENTS: BLENDFORCE ENERGY SERVICES INC.

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	August 18, 2017
Time	10:00 a.m.
Where	Calgary Courts Center
Before Whom	The Honourable Justice A.D. Macleod

Go to the end of this document to see what else you can do and when you must do it.

Remedy Claimed or Sought: Razor Energy Corp. ("**Razor**") applies for relief in respect of BlendForce Energy Services Inc. (the "**Debtor**"), substantially in the forms of Order attached as Schedules "**A**" and "**B**" hereto:

1. Declaring that the time for service of this application (the "**Application**") and the Affidavit of Doug Bailey, sworn on August 16, 2017 ("**Initial Affidavit**"), is abridged, if necessary, the Application is properly returnable on August 18, 2017, that service of the Application

and the Initial Affidavit on the service list created and maintained in respect of the within proceedings (the “**Service List**”) is validated, good, and sufficient and that no persons other than those on the Service List are entitled to service of the materials filed in connection with the Application.

2. Appointing FTI Consulting Canada Inc. as the receiver and manager (the “**Receiver**”) of all of the assets, properties, and undertaking of the Debtor (collectively, the “**Property**”) in the within proceedings (the “**Receivership Proceedings**”).
3. Authorizing and empowering the Receiver to retain NRG Divestitures Inc. (the “**Sales Agent**”) as its sales agent and to implement the Sale and Investment Solicitation Procedures attached as Exhibit “M” to the Initial Affidavit (the “**SISP**”) and to proceed, carry out, and implement any corresponding sales, marketing, or tendering processes, including any and all actions related thereto, substantially in accordance with the proposed SISP, along with entering into any resulting agreement(s) or transaction(s) (collectively, the “**SISP Agreements**”) which may arise in connection thereto, as the Receiver determines are necessary or advisable to close any and all transactions or complete any or all of the various steps contemplated by the SISP. However, the transfer and vesting of any and all of the Debtor’s Property subject to any SISP Agreements or the APA (as defined below), will be dealt with by further Order of the Court.
4. Authorizing and empowering the Receiver to enter into the Purchase and Sale Agreement, dated August 15, 2017, between the Debtor, by and through the Receiver, as the vendor, and Razor, as the purchaser, as attached as Exhibit “N” to the Initial Affidavit (the “**APA**”), as part of and in the manner contemplated by the SISP.
5. Granting the Receiver leave to apply to this Honourable Court to amend, vary, or seek advice, directions, or the approval of any transactions, in connection with the SISP.
6. Such further and other relief as counsel for Razor may advise and this Honourable Court may permit.

Grounds for Making this Application:

7. The Debtor is an Alberta corporation with a head office in Calgary, Alberta whose main assets are an oilfield chemical blending facility (the “**Facility**”) and a Class 1B disposal

well (the "**Disposal Well**") located in the town of Swan Hills, Alberta.

8. Pursuant to:

(a) a Secured Grid Promissory Note, dated February 28, 2015 (the "**Bailey Grid Note**"), as granted by the Debtor to and in favour of J. Cameron Bailey ("**Bailey**"); and,

(b) a Secured Grid Promissory Note, dated February 28, 2015(the "**Jeffs Grid Note**", the Jeffs Grid Note and the Bailey Grid Note are collectively referred to as, the "**Grid Notes**"), as granted by the Debtor to and in favour of James Jeffs ("**Jeffs**" Jeffs and Bailey are collectively referred to as, the "**Assignors**"),

the Assignors agreed to provide services to the Debtor, on credit, in return for the Debtor agreeing to pay the Assignors pursuant to the terms and conditions set out in the Grid Notes

9. Pursuant to a \$50,000 Loan Agreement, dated May 1, 2015 (the "**Loan Agreement**" the Loan Agreement and the Grid Notes are collectively referred to as the "**Credit Documents**"), between Fortaleza Energy Inc. ("**Fortaleza**"), as the borrower, Bailey, as the lender, and the Debtor, as the guarantor, Bailey lent certain funds to Fortaleza.

10. The obligations and liabilities owed by Fortaleza to Bailey under the Loan Agreement are guaranteed by the Debtor and are furthermore secured against the Debtor's Property, pursuant to the Guarantee and General Security Agreement, dated May 11, 2015, as granted by the Debtor to and in favour of Bailey (the "**Secured Guarantee**").

11. In addition to the Secured Guarantee any and all obligations and liabilities owed by the Debtor to the Assignors are secured pursuant to

(a) a General Security Agreement, dated October 8, 2015, as granted by the Debtor to and in favour of Bailey (the "**Bailey GSA**"); and,

(b) a General Security Agreement, dated October 8, 2015, as granted by BlendForce to and in favour of Jeffs, (the "**Jeffs GSA**" the Jeffs GSA, the Bailey GSA, and the Secured Guarantee are collectively referred to as, the "**Security Documents**").

12. In the spring of 2017 the Debtor completed a sales process with respect to the Property (the "**Pre-Filing Sales Process**").
13. The Pre-filing Sales Process concluded with Razor having the winning bid. However, the Debtor was unable to convey the assets subject to Razor's winning bid, free and clear of all security interests, judgments, liens, levies, and related restrictions as the Debtor's liabilities exceeded the proposed purchase price set out in Razor's bid.
14. Following the Debtor's inability to close any pre-filing sale, Razor attempted to work with the Debtor in order to restructure the Debtor's affairs.
15. Razor purchased the Assignors' interests in, to and under the Credit Documents and the Security Documents (collectively, the "**Assigned Documents**") pursuant to the Assignment of Loan and Security, dated July 21, 2017 (the "**Assignment Agreement**"), between the Assignors, as the assignors, the Debtor, as a debtor and guarantor, Fortaleza, as a debtor, and Razor, as the purchaser/assignee.
16. Following the assignment of the Assigned Documents, Razor, attempted to assist and fund the Debtor's development of a Proposal under Division I of Part III of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the "**BIA**").
17. On August 3, 2017 Razor was informed by Mr. Lance Sauer, the sole remaining officer and director of the Debtor, that he had resigned from his capacity as the sole remaining officer and director of the Debtor.
18. Due to Mr. Sauer's resignation:
 - (a) the Debtor has ceased all operations;
 - (b) the Debtor is currently unable to undergo any proposal proceedings under the BIA;
 - (c) no one is maintaining or supervising any of the Property; and,
 - (d) the Debtor is unable to take any actions to address the continued deterioration of the Property or to ensure that adequate insurance coverage is in place.

19. Following the execution and closing of the Assignment Agreement, as at June 30, 2017, the Debtor was indebted to Razor in the amount of \$256,802 (the "**Indebtedness**").
20. On or about July 31, 2017, Razor: (i) issued a demand (the "**Demand**") to the Debtor and Fortaleza concerning the repayment of the Indebtedness; and, (ii) issued a corresponding Notice of Intention to Enforce Security pursuant to section 244 of the BIA (the "**NOI**") as against the Debtor.
21. As of the date of the Initial Affidavit the Debtor has not repaid the Indebtedness.
22. It is just and convenient that a receiver and manager be appointed over the Debtor and the Property since, *inter alia*:
 - (a) the Debtor has ceased all operations and is unable to continue as a viable concern;
 - (b) the Debtor currently has no officers or directors;
 - (c) the Debtor has committed various defaults, including failing to pay the Indebtedness following the issuance of the Demand;
 - (d) the Security Documents stated that the secured party thereunder may appoint a receiver over the Debtor and the Property upon the occurrence of a default; and,
 - (e) certain judgement creditors have commenced enforcement actions against the Debtor, including the registration of a writ of enforcement and seizure in the Alberta Personal Property Registry by one such judgment creditor.
23. Of greater concern is the significant risk of irreparable harm to the Debtor's Property which will exist if a receiver and manager is not appointed over the Property, to ensure that the Property is properly maintained, that adequate insurance is in place, that the Debtor's obligations are paid in accordance with their respective priority, and to preserve the assets for the benefit of all stakeholders including, preventing the further deterioration of the Property.
24. Due to: (i) the ongoing deterioration of the Property; (ii) the various costs and expenses incurred by Razor in connection with the purchase of the Property; and, (iii) Razor's acquisition of the Assigned Documents and the Indebtedness, the consideration which

Razor is willing to pay in order to purchase the Property has now been amended from that previously offered as the winning bid in the Debtor's Pre-Filing Sales Process.

25. As a result of the change in consideration offered for the Property, Razor has, in consultation with the Receiver, developed the SISP.
26. The SISP contemplates that the Sales Agent will be retained, by the Receiver, as its sales and marketing agent, and that the Receiver and the Sales Agent will proceed to market the Debtor's Property in an open, fair, public, and transparent manner.
27. The purpose of the SISP is to canvas the market for a Superior Offer (as defined in the SISP).
28. Due to: (i) the Debtor's financial constraints; (ii) the fact that the Debtor's operations have been shut in for some time; (iii) the fact that the Debtor's operations do not actually produce any cash; (iv) the ongoing deterioration of the Debtor's Property due to a lack of continuous maintenance; (v) the potential environmental issues that may arise due the lack of maintenance, supervision, and/or oversight; and, (vi) the Debtor completing a Pre-Filing Sales Process, Razor (as a prospective purchaser, the person likely funding the Receivership Proceedings, and the senior secured creditor of the Debtor) and the Receiver have agreed that a consolidated SISP timeline would be the most beneficial to the various stakeholders of the Debtor.
29. The SISP contemplates the following milestone deadlines:
 - (a) a first phase deadline, for the delivery of non-binding letters of interest, by September 22, 2017;
 - (b) a second phase deadline, by which qualifying bidders must submit a binding and definitive agreement to the Receiver, by September 29, 2017; and,
 - (c) a contemplated completion date, for the closing of any transaction arising out of the SISP, by October 6, 2017.

30. Due to the short timeframe provided for in the SISP, the first phase of the SISP will commence on or around August 18, 2017.
31. The SISP contemplates the Receiver entering into the Asset Purchase Agreement, dated August 15, 2017 (the “**APA**”), between the Debtor, by and through the Receiver, as the vendor, and Razor, as the purchaser, as a stalking horse bid.
32. The APA contemplates that the consideration to be paid by Razor, to the Debtor, for the Assets (as defined in the APA) shall be comprised of the following:
 - (i) cash, in an amount sufficient to repay any and all outstanding obligations and liabilities secured by any charges granted in connection with the Receivership Order sought as part of the Application; and,
 - (ii) cash, in an amount sufficient to repay any and all outstanding obligations and liabilities owed by the Debtor to the Canada Revenue Agency and which have priority over the Assigned Documents and the Indebtedness; and,
 - (iii) the assumption of any municipal property tax liabilities owed by the Debtor in connection with and secured by the Assets to the town of Swan Hills and which have priority over the Assigned Documents and the Indebtedness (the “**Assumed Property Tax Liabilities**”); and,
 - (iv) a credit bid of the Indebtedness.
33. The total consideration to be paid by Razor, pursuant to the APA, is estimated to be approximately \$700,000.
34. Upon execution the APA is binding on Razor and conditional on obtaining Court approval of: (i) the APA; and, (ii) the vesting of the Assets in the name of Razor, free and clear of all liens other than any portion of the Assumed Property Tax Liabilities.
35. The APA automatically terminates upon a Superior Offer being completed pursuant to and in accordance with the SISP.
36. By entering into the APA, in conjunction with the commencement of the SISP, the APA provides the Debtor with a binding and definitive agreement, in the event that no

Superior Offer arises, which will provide some certainty that the Debtor will be able to enter into a transaction for the benefit of its creditors and the estate.

37. Upon completing the SISP, pursuant to the terms therein, the Receiver is entitled to seek: (i) approval of the vesting and transfer of the Assets to Razor, substantially in accordance with the terms of the APA; or, (ii) should a Superior Offer arise, approval of the Superior Offer and any corresponding agreement and the vesting of any Property, contemplated therein.
38. The Receiver has complete authority to administer the SISP and to determine whether a Superior Offer has been made. If the Receiver determines that a Superior Offer has been made the Receiver is entitled to proceed with the Superior Offer in accordance with the terms of the SISP.
39. Such further and other grounds as counsel for Razor may advise.

Material or evidence to be relied on:

40. The Affidavit of Doug Bailey, sworn on August 16, 2017;
41. FTI Consulting Canada Inc.'s Consent to Act as Receiver; and,
42. Such further and other material as counsel for Razor may advise and this Honourable Court may permit.

Applicable rules:

43. Rules 1.3, 6.3, 6.9, 11.27, and 13.5 of the *Alberta Rules Of Court*, Alta. Reg. 124/2010.
44. Such further and other rules as counsel for Razor may advise and this Honourable Court may permit.

Applicable acts and regulations:

45. Section 243 of the *Bankruptcy and Insolvency Act* (Canada).
46. Section 13(2) of the *Judicature Act* (Alberta).

47. Such further and other acts and regulations as counsel for Razor may advise or this Honourable Court may permit.

Any irregularity complained of or objection relied on:

48. There are no irregularities complained of or objections relied on.

How the application is proposed to be heard or considered:

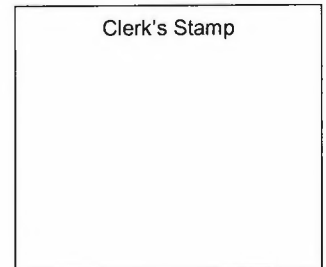
49. Razor proposes that the Application be heard in person with one, some, or all of the parties present.

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 rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

**SCHEDULE A
RECEIVERSHIP ORDER**

COURT FILE NUMBER: 1701-
COURT: COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE: CALGARY
APPLICANT: RAZOR ENERGY CORP.
RESPONDENTS: BLENDFORCE ENERGY SERVICES INC. AND
FORTALEZA ENERGY INC.



DOCUMENT **RECEIVERSHIP ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT: McCarthy Tétrault LLP
Barristers & Solicitors
4000, 421 – 7th Avenue SW
Calgary, Alberta T2P 4K9
Attention: Sean F. Collins / Pantelis Kyriakakis
Phone: 403-260-3531 / 403-260-3536
Fax: 403-260-3501
Email: scollins@mccarthy.ca / pkyriakakis@mccarthy.ca

Date On Which Order Was Pronounced: August 18, 2017
Name Of Judge Who Made This Order: Justice A.D. Macleod
Location Of Hearing: Calgary, Alberta

UPON the application (the "**Application**") of Razor Energy Corp. ("**Razor**") in respect of BlendForce Energy Services Inc. (the "**Debtor**"); **AND UPON** having read the Application, the Affidavit of Doug Bailey, sworn on August 16, 2017 and the Affidavit of Service of ●, sworn on ●, all filed; **AND UPON** reading the consent of FTI Consulting Canada Inc., to act as receiver and manager (the "**Receiver**") of all of the assets, properties, and undertakings of the Debtor, filed; **AND UPON** hearing counsel for Razor and any other persons present;

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, FTI Consulting Canada Inc. is hereby appointed Receiver, without security, of all of the Debtor's current and future assets, undertakings, and properties, of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (collectively, 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 take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
 - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
 - (c) to manage, operate and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part other business, or cease to perform any contracts of the Debtor;
 - (d) 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;
 - (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;

- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to or by the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court.
- (k) 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.
- (l) 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 \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$250,000; 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.

- (m) 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;
- (n) 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;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (s) 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 the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. (i) The Debtor, (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, and shall deliver

all such Property (excluding Property subject to liens the validity of which is dependant on maintaining possession) to the Receiver upon the Receiver's request.

5. 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 the Debtor, 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 5 or in paragraph 6 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.

6. 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

7. 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 THE DEBTOR OR THE PROPERTY

8. No Proceeding against or in respect of the Debtor 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 the Debtor 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 8; and (ii) affect a Regulatory Body’s investigation in respect of the debtor or an action, suit or proceeding that is taken in respect of the debtor 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

9. All rights and remedies (including, without limitation, set-off rights) against the Debtor, 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 this stay and suspension does not apply in respect of any “eligible financial contract” (as defined in the BIA), and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor 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

10. 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 the Debtor, without written consent of the Receiver or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract from closing out and terminating such contract in accordance with its terms.

CONTINUATION OF SERVICES

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

12. 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

13. Subject to employees' rights to terminate their employment, all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor'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").
14. 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 the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. (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

16. 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

17. 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.
18. The Receiver and its legal counsel shall pass their accounts from time to time.
19. 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.

FUNDING OF THE RECEIVERSHIP

20. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$150,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property

shall be and is hereby charged by way of a fixed and specific charge (the “**Receiver's Borrowings Charge**”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.

21. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
22. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule “A” hereto (the “**Receiver's Certificates**”) for any amount borrowed by it pursuant to this Order.
23. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

ALLOCATION

24. 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

25. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
26. 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.
27. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

28. 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.
29. 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.
30. 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 the Debtor's estate with such priority and at such time as this Court may determine.
31. 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

32. The Receiver shall establish and maintain a website in respect of these proceedings at <http://cfcanada.fticonsulting.com/> 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

SCHEDULE "A" TO THE RECEIVERSHIP ORDER
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that FTI Consulting Canada Inc., the receiver and receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of BlendForce Energy Services Inc. appointed by Order of the Court of Queen's Bench of Alberta (the "**Court**") dated the 18th day of August, 2017 (the "**Order**") made in action numbers _____, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily] [monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at _____.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property) as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 20__.

FTI Consulting Canada Inc., solely in its capacity as Receiver of the Property (as defined in the Order), and not in its personal capacity

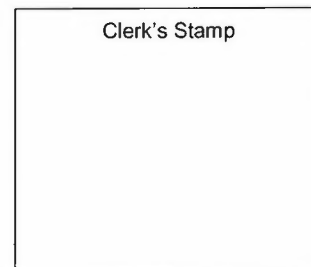
Per: _____

Name:

Title:

**SCHEDULE B
SISP AND APA APPROVAL ORDER**

COURT FILE NUMBER: 1701-
COURT: COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE: CALGARY
APPLICANT: RAZOR ENERGY CORP.
RESPONDENTS: BLENDFORCE ENERGY SERVICES INC
DOCUMENT **ORDER (SISP and APA Approval)**



ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT: McCarthy Tétrault LLP
Barristers & Solicitors
4000, 421 – 7th Avenue SW
Calgary, Alberta T2P 4K9
Attention: Sean F. Collins / Pantelis Kyriakakis
Phone: 403-260-3531 / 403-260-3536
Fax: 403-260-3501
Email: scollins@mccarthy.ca / pkyriakakis@mccarthy.ca

Date On Which Order Was Pronounced: August 18, 2017
Name Of Judge Who Made This Order: Justice A.D. Macleod
Location Of Hearing: Calgary, Alberta

UPON the application (the “**Application**”) of Razor Energy Corp. (“**Razor**”) in respect of BlendForce Energy Services Inc. (the “**Debtor**”); **AND UPON** having read the Application, filed; **AND UPON** having read the Affidavit of Doug Bailey, sworn on August 16, 2017 (the “**Initial Affidavit**”), filed; **AND UPON** having read the Receivership Order granted by the Honorable Mr. Justice A.D. MacLeod on August 18, 2017, appointing FTI Consulting Canada Inc. as the court appointed receiver and manager (the “**Receiver**”) of the Debtor and all of the Debtor’s property, assets, and undertakings (collectively, the “**Property**”); **AND UPON** having read the Affidavit of Service of ●, sworn on ●, filed; **AND UPON** hearing counsel for Razor and any other persons present;

IT IS HEREBY ORDERED AND DECLARED THAT:

DEFINED TERMS

1. Any and all capitalized terms used herein and not otherwise defined shall have the meaning ascribed to such terms in the Sale and Investment Solicitation Procedures attached as Exhibit "M" to the Initial Affidavit (the "**SISP**").

SISP AND APA APPROVAL

2. The Receiver is hereby authorized and empowered to retain NRG Divestitures Inc. (the "**Sales Agent**") as its sales agent and to implement the SISP and to proceed, carry out, and implement any corresponding sales, marketing, or tendering processes, including any and all actions related thereto, substantially in accordance with the proposed SISP, and, furthermore, the Debtor is hereby authorized to enter into any resulting agreement(s) or transaction(s) (collectively, the "**SISP Agreements**") which may arise in connection thereto, as the Receiver determines are necessary or advisable in connection with or in order to complete any or all of the various steps, as contemplated by the SISP.
3. The Receiver is hereby authorized and empowered to enter into the Asset Purchase Agreement, dated August 15, 2017, between the Debtor, by and through the Receiver, as the vendor, and Razor, as the purchaser, as attached as Exhibit "N" to the Initial Affidavit (the "**APA**"), as part of and in the manner contemplated by the SISP.
4. Nothing herein shall act as authorization or approval of the transfer or vesting of any or all of the Debtor' property, assets, or undertakings under any SISP Agreements, the APA, or otherwise. Such transfer and vesting shall be dealt with and subject to further Order of this Honourable Court.

MISCELLANEOUS MATTERS

5. The Receiver is hereby authorized and empowered to apply to this Honorable Court to amend, vary, or seek any advice, directions, or the approval or vesting of any transactions, in connection with the SISP.

6. Service of this Order by email, facsimile, registered mail, courier or personal delivery to the persons listed on the service list shall constitute good and sufficient service of this Order, and no persons other than those listed on the service list are entitled to be served with a copy of this Order.

J.C.Q.B.A.