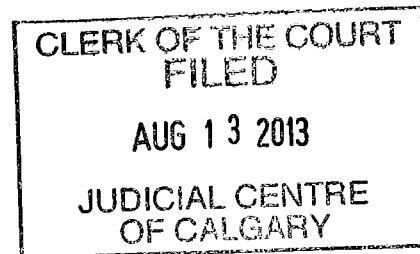


I hereby certify this to be a true copy of  
the original Doc  
Dated this 13 day of Aug 2013  
H. Gaud  
for Clerk of the Court

Clerk's stamp:



COURT FILE NO. 1301-06644  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
IN THE MATTER OF THE *BANKRUPTCY AND  
INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED  
PLAINTIFF NATIONAL BANK OF CANADA  
DEFENDANT ARGOSY ENERGY INC. and RADIUS RESOURCES  
CORP.  
DOCUMENT **SALE APPROVAL AND VESTING ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
BLAKE, CASSELS & GRAYDON LLP  
3500, 855 – 2<sup>nd</sup> Street S.W.  
Calgary, AB T2P 4J8  
Attn: Kelly Bourassa  
Telephone/Facsimile: 403-260-9697/403-260-9700  
E-mail: kelly.bourassa@blakes.com  
File.: 79294/5

**DATE ON WHICH ORDER WAS PRONOUNCED:** August 13, 2013  
**LOCATION WHERE ORDER WAS PRONOUNCED:** Justice Chambers  
**NAME OF JUSTICE WHO MADE THIS ORDER:** Justice B.E. Romaine

UPON the application of FTI Consulting Canada Inc. ("FTI") in its capacity as court-appointed receiver and manager (the "Receiver") of Argosy Energy Inc. and Radius Resources Corp. (the "Debtors"); AND UPON reading the Receiver's First Report dated July 24, 2013 (the "First Report"), filed; the Receiver's Second Report dated August 8, 2013, (the "Second Report") filed; the Asset Purchase and Sale Agreement dated August 8, 2013 (the "Sale Agreement") between the Receiver and TORC Oil and Gas Ltd. (the "Purchaser"); and, the Affidavit of Service of Ashley Rees sworn August 12, 2013, filed; AND UPON hearing counsel for the Receiver, counsel for National Bank of Canada, counsel for the Purchaser, and counsel for other interested parties; AND UPON it appearing that the Sale Agreement represents the best realizable value for the Assets (as defined below) in the present circumstances;

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

1. The time for service of the Application and materials in support thereof be and is hereby abridged to the date of actual service and that service be and is hereby approved, the Application is properly returnable today and all parties entitled to notice of this Application have been properly served, and further service is hereby dispensed with.
2. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the First Report, the Second Report and the Sale Agreement, as applicable.
3. The Sale Agreement and the transaction contemplated therein (the "**Transaction**") pursuant to which the Purchaser has agreed to purchase from the Receiver all of the Debtors' right, title and interest (whether absolute or contingent, legal or beneficial), if any, in and to the Assets, be and is hereby approved.
4. Approval is hereby granted to the Receiver and the Receiver is hereby authorized and directed to proceed with the Transaction and in particular, the sale by the Receiver to the Purchaser of all of the Debtors' right, title and interest in and to the Assets, and to take all steps necessary to complete the Transaction and, for greater certainty, the sale of the Assets is also approved pursuant to paragraphs 3(l)(ii) and 3(m) of the Receivership Order granted on May 30, 2013 in this action.
5. Upon Closing of the Transaction, all of the right, title, interest, estate and equity of redemption of the Debtors, and any parties claiming through them in and to the Assets will be extinguished and all of the Debtors' right, title and interest in and to the Assets, including the legal and beneficial ownership of title to the Assets, shall, without further instrument of transfer or assignment, vest absolutely and forever in the Purchaser in accordance with and as contemplated by the Sale Agreement, free and clear of and from any and all estate, right, title, interest, claims, demands, actions, lawsuits, proceedings, arbitrations, investigations (in any case whether asserted, threatened, pending or existing) hypothecs, mortgages, charges, liens (whether contractual, statutory or otherwise), security interests, assignments, pledges, levies, taxes (including any unpaid property taxes in respect of the Assets), judgments, writs of execution, trusts or deemed trusts (whether contractual, statutory or otherwise), options, agreements, disputes, debts, easements, covenants, caveats, encumbrances, or other rights, limitations or restrictions

of any nature whatsoever, or any other contractual, financial or monetary claims of any nature whatsoever including, without limitation, any rights or interests of any creditors of the Debtors whether or not any of the foregoing have attached or been perfected, registered or filed, whether secured, unsecured or otherwise, whether liquidated, unliquidated or contingent (collectively, the “**Claims**”) and, for greater certainty, this Court orders that all of the Claims, except for Permitted Encumbrances, as set forth in Schedule “A” hereto, affecting or relating to the Debtors’ right, title and interest in the Assets are hereby expunged and discharged as against the Assets.

6. The Purchaser shall, by virtue of the completion of the transaction, have no liability of any kind whatsoever to any persons or entities of any kind whatsoever, including, without limitation, all individuals, firms, corporations, partnerships, joint ventures, trusts, unincorporated organizations, governmental and administrative bodies, agencies, authorities or tribunals and all other natural persons or corporations, whether acting in their capacity as principals or as agents, trustees, executives, administrators or other legal representatives (collectively, the “**Claimants**”), in respect of any Claims any of the Claimants may have against the Debtors.
7. Other than a certified copy of this Order and a letter from Blake, Cassels & Graydon LLP, counsel to the Receiver, authorising the use of this Order (the “**Authorisation Letter**”), no further authorisation or approval or other action by any governmental authority or regulatory body exercising jurisdiction over the Assets shall be required for the Closing and post-Closing implementation of the Transaction contemplated in the Sale Agreement.
8. The Receiver is authorised and directed to deliver to the Purchaser at Closing a General Conveyance and post-Closing such specific conveyances, as the Purchaser, acting reasonably, determines necessary to convey the Assets, signed by the Receiver in the manner provided for in Paragraph 10 of this Order, and upon filing of a certified copy of this Order and the Authorisation Letter, together with any applicable registration fees, the appropriate government authorities are hereby directed to register such transfers, discharges, discharge statements or conveyances, as may be required to convey clear title to the Assets to the Purchaser except for Permitted Encumbrances. Without limiting the foregoing:

- (a) the Registrar of the Alberta Land Registration District (the “**Registrar**”) shall, notwithstanding subsection 191(1) of the *Land Titles Act*, R.S.A. 2000, c. L-4 (Alberta), as amended, cancel and discharge the Claims registered against the interests of the Debtors in respect of freehold properties located in the Province of Alberta, including but not limited to those identified in Schedule “B” to this Order, and except for those Permitted Encumbrances identified in Schedule “A” to this Order. For further certainty, the Registrar shall not cancel and discharge the registration of any claims registered against estates or interests other than the estate or interest of the Debtors; and
- (b) the Ministry of Energy for Alberta acting pursuant to section 99 of the *Mines and Minerals Act*, R.S.A. 2000, c. M-17, as amended, and sections 36 and 47 of the *Builders’ Lien Act*, R.S.A. 2000, c B-7.1, as amended, is hereby directed to cancel and discharge the Claims registered against the estate or interest of the Debtors in and to the Assets located in the Province of Alberta, including but not limited to those identified in Schedule “C” to this Order, and except for those Permitted Encumbrances identified in Schedule “A” to this Order. For further certainty, the Minister of Energy shall not cancel and discharge the registration of builders’ liens or security notices registered against estates or interests other than the estate or interest of the Debtors.
9. The net proceeds of the sale of the Assets shall stand in the place and stead of the Assets and all Claims not identified as Permitted Encumbrances shall, to the extent that they are not paid from the net sale proceeds or otherwise, cease to be attached to or encumber or otherwise form a lien or a claim against the Assets and shall attach to the net sale proceeds with the same validity, priority and in the same amounts, and subject to the same defences, that existed when the Claims attached to the Assets.
10. Any transfers, assignments, or other conveyances in respect of the Assets to be registered at any Land Titles Office, the Ministry of Energy or any other government agency, shall be deemed to be validly executed if signed in the following manner as applicable:

FTI Consulting Canada Inc., in its capacity as  
Receiver and Manager of Argosy Energy  
Inc., and not in its personal capacity.

Per: \_\_\_\_\_

FTI Consulting Canada Inc., in its capacity as  
Receiver and Manager of Radius Resources Corp.,  
and not in its personal capacity.

Per: \_\_\_\_\_

11. The Purchase Price represents the best possible and realizable value for the Assets in the present circumstances.
12. All of the interest, right, title, estate and equity of redemption of the Debtors and any persons claiming by, through or under the Debtors or the Receiver in and to the Assets, will upon the closing of the Transaction contemplated in the Sale Agreement, be fully and finally extinguished.
13. Notwithstanding the pendency of these proceedings and the provisions of any federal or provincial statutes neither the Sale Agreement nor the Transaction contemplated thereby will be void or voidable at the instance of creditors and Claimants and do not constitute nor shall they be deemed to be settlements, fraudulent preferences, assignments, fraudulent conveyances or other reviewable transactions under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended 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.
14. In completing the Transaction subject to the terms and conditions of the Sale Agreement, the Receiver is further authorized:
  - (a) to execute and deliver such additional, related and ancillary documents and assurances governing or giving effect to the Transaction as the Receiver, in its discretion, may deem reasonably necessary or advisable to conclude the Transaction or in furtherance of this Order;
  - (b) to enter into such amendments to the Sale Agreement which are not material, whereupon any reference in this Order to the Sale Agreement shall be and include a reference to the Sale Agreement as amended; and

- (c) to take such steps as are necessary or incidental to the performance of its obligations pursuant to the Sale Agreement, including to make any necessary post-closing adjustments as may be required.
15. The Receiver shall be at liberty from time to time to apply to this Court for advice and directions with respect to the Sale Agreement and the Transaction. The Receiver shall be authorized and empowered to apply, upon such notice, if any, as it may consider necessary or desirable, to this Court to make such orders and provide such other aid and assistance to the Receiver, as this Court may deem necessary or appropriate.
16. To the extent necessary, this Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or elsewhere, 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.
17. Service of this Order by way of facsimile or electronic transmission and by posting a copy of this Order on the Receiver's website shall constitute good and sufficient service on all parties entitled to notice of same and further service thereof is hereby dispensed with.



A handwritten signature in black ink, consisting of stylized initials and a long horizontal stroke, positioned above a solid horizontal line.

J.C.C.Q.B.A.

**Schedule "A"**  
**Permitted Encumbrances**

- (a) easements, rights of way, servitudes, permits, licenses and other similar rights in land, including rights of way and servitudes for highways and other roads, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone, telegraph and cable television conduits, poles, wires and cable;
- (b) the right reserved to or vested in any Government Authority by the terms of any Title and Operating Document, lease, license, franchise, grant or permit or by any Applicable Law, to terminate any such Title and Operating Document, lease, license, franchise, grant or permit or to require annual or other periodic payments as a condition of the continuance thereof;
- (c) the right reserved to or vested in any Government Authority to levy taxes on Petroleum Substances or the income or revenue attributable thereto and governmental requirements and limitations of general application;
- (d) rights reserved to or vested in any Government Authority to control or regulate any of the Assets in any manner;
- (e) liens granted in the ordinary course of business to a public utility or Government Authority in connection with operations on or in respect of the Lands;
- (f) the express or implied reservations, limitations, provisos and conditions in any original grants from the Crown of any of the Lands or interests therein and statutory exceptions to title;
- (g) all royalty burdens, liens, adverse claims, penalties, conversions and other Encumbrances identified in the Land Schedule;
- (h) the terms and condition of the Leases and the Title and Operating Documents; and
- (i) any other circumstance, matter or thing disclosed in any Schedule attached to the Sale Agreement;

Additionally, the following items must be identified in a Schedule attached to the Sale Agreement to qualify as a Permitted Encumbrance: (A) any Encumbrance, overriding royalty, net profits or other similar encumbrance applicable to the Petroleum and Natural Gas Rights for which Purchaser will assume the obligation for payment; (B) any existing potential alteration of the Debtor's interests in the Assets because of a payout conversion or farmin, farmout or other similar agreement; and (C) any security interest which would not be a Permitted Encumbrance under the preceding paragraphs of this definition.

**Schedule "B"**

<b>Instrument Number</b>	<b>Date of Registration</b>	<b>Type of Registration</b>	<b>Registrant</b>
121 213 358	20/08/2012	Builder's Lien	Ensign Drilling Partnership
131 057 141	08/03/2013	Caveat Re: Agreement Charging Land	National Bank of Canada
131 057 136	08/03/2013	Caveat Re: Agreement Charging Land	National Bank of Canada
121 212 176	17/08/2012	Builder's Lien	Hallmark Tubulars Ltd.
121 311 205	27/11/2012	Builder's Lien	Rapid Rod Service Ltd.



**Schedule "C"**

<b>Encumbrance ID</b>	<b>Crown Lease Number</b>	<b>Date of Registration</b>	<b>Registrant</b>
1203747	0411020002	2012/12/27	National Bank of Canada
	0411040038		
	0411040039		