

Clerk's Stamp

COURT FILE NUMBER 1301-
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

APPLICANT(S) NATIONAL BANK OF CANADA

RESPONDENT(S) ARGOSY ENERGY INC. and RADIUS RESOURCES CORP.

COURT FILE NUMBER 25-1723691
COURT COURT OF QUEEN'S BENCH OF ALBERTA IN BANKRUPTCY
AND INSOLVENCY

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY
ACT, RSC 1985, c B-3, AS AMENDED

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF ARGOSY ENERGY INC.

APPLICANT(S) ARGOSY ENERGY INC.

COURT FILE NUMBER 25-1723693
COURT COURT OF QUEEN'S BENCH OF ALBERTA IN BANKRUPTCY
AND INSOLVENCY

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY
ACT, RSC 1985, c B-3, AS AMENDED

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF RADIUS RESOURCES CORP.

APPLICANT(S) RADIUS RESOURCES CORP.

DOCUMENT **APPLICATION**

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT

Sean F. Collins / Walker W. MacLeod
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NOTICE TO RESPONDENT(S)

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, May 30, 2013
Time	11:30 a.m.
Where	Calgary Courts Center (Commercial List)
Before Whom	The Honourable Justice B.E.C. Romaine

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

Remedy claimed or sought: National Bank of Canada (“**NBC**”) applies for relief in respect of Argosy Energy Inc. (“**Argosy**”) and Radius Resources Corp. (“**Radius**”, and Argosy and Radius collectively referred to as the “**Debtors**”) substantially in the form of Orders attached as Schedules “**A**” to “**D**” hereto:

1. Abridging the time required for service of this Application (the “**Application**”) and supporting materials to the date service was effected, declaring that this Application (the “**Application**”) is properly returnable on May 30, 2013, that service of the Application in the manner described in the Affidavit of Service is good and sufficient and that no persons other than those on the Service List are entitled to service of the Application or any orders arising therefrom.
2. Appointing FTI Consulting Canada Inc. (“**FTI**”) as the Receiver and Manager of the assets, properties and undertakings of the Debtors.
3. Approving the form of asset purchase agreement (the “**APA**”) between the Debtors and Long Term Asset Management Inc. (the “**Purchaser**”), and authorizing FTI, for and on behalf of the Debtors, to enter into and close the APA in accordance with its terms and sealing confidential exhibit “**L**” to the affidavit of Elizabeth Pineda, sworn May 29, 2013 (the “**Supporting Affidavit**”).
4. Declaring, pursuant to section 50.4(11) of the *Bankruptcy and Insolvency Act* (“**BIA**”), that the time for the Debtors to lodge a proposal is terminated.

5. Appointing, pursuant to section 57.1 of the BIA, FTI Consulting Canada Inc. trustee in bankruptcy of the Debtors.
6. Such further and other relief as counsel for NBC may advise.

Grounds for making this application:

7. The Debtors are presently indebted to NBC in an amount in excess of \$21.7 million. NBC holds various first charge security over all of the assets, properties and undertakings of the Debtors which primarily consist of various petroleum and natural gas rights.
8. On March 8, 2013, the Debtors filed a Notice of Intention to make a proposal pursuant to the BIA. PwC has been appointed as the proposal trustee of the Debtors pursuant to the BIA.
9. The Debtors have been marketing their assets pursuant to a strategic review process and a separate sales process for over a year. The Assets (as that term is defined in the APA) have been subject to a thorough and comprehensive marketing process and the purchase price to be paid for the Assets of \$6.4 million is the best price available in the circumstances.
10. The two remaining directors of the Debtors intend to resign from their positions prior to the return of this Application. The stay of proceedings in respect of the Debtors in their bankruptcy proceedings expires on May 30, 2013 and there is no application to extend same.
11. It is necessary to appoint FTI as the receiver and manager of the Debtors so as to allow the APA to be completed and for the remaining assets of the Debtors to be marketed. The Debtors have consented to the appointment of a receiver and manager over their assets, properties and undertakings pursuant to a forbearance agreement between NBC and the Debtors dated March 8, 2013.
12. Exhibit "L" to the Supporting Affidavit contains sensitive commercial information on the value of offers submitted for the assets of the Debtors, the disclosure of which would seriously and irreparably prejudice efforts to market the assets of the Debtors.
13. Such further and other grounds as counsel for NBC may advise.

Material or Evidence to be relied On:

14. The Affidavit of Elizabeth Pineda; and
15. Such further and other material as counsel for NBC may advise and this Honourable Court may permit.

Applicable rules:

16. Rule 6.3(1) and 11.27 of the Rules.
17. Such further and other rules as counsel for NBC may advise and this Honourable Court may permit.

Applicable Acts and regulations:

18. Sections 50.4(11), 57.1, and 243 of the *Bankruptcy and Insolvency Act (Canada)*.
19. Section 13(2) of the *Judicature Act (Alberta)*.
20. Such further and other acts and regulations as counsel for NBC may advise or this Honourable Court may permit.

Any irregularity complained of or objection relied on:

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

How the application is proposed to be heard or considered:

22. NBC proposes that the Application be heard in person or by telephone 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**

Clerk's Stamp

COURT FILE NUMBER 1301-
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY OF

APPLICANT(S) NATIONAL BANK OF CANADA

RESPONDENT(S) ARGOSY ENERGY INC. and RADIUS RESOURCES CORP.

DOCUMENT **RECEIVERSHIP ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Sean F. Collins/Walker W. MacLeod
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wmacleod@mccarthy.ca
File No. 065093-447532

DATE ON WHICH ORDER WAS PRONOUNCED: May 30, 2013

NAME OF JUDGE WHO MADE THIS ORDER: Honourable Justice B.E.C. Romaine

LOCATION OF HEARING: Calgary, Alberta

UPON the application of National Bank of Canada in respect of Argosy Energy Inc. and Radius Resources Corp (the "**Debtors**"); **AND UPON** having read the Application, the Affidavit of Elizabeth Pineda, sworn May 29, 2013; and the Affidavit of Service of ●, dated May ●, 2013, filed; **AND UPON** reading the consent of FTI Consulting Canada Inc. to act as receiver and manager ("**Receiver**") of the Debtors, filed; **AND UPON** hearing counsel for the Applicants and any other counsel 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, c.J-2, 99(a) of the *Business Corporations Act*, R.S.A. 2000, c.B-9, and 65(7) of the *Personal Property Security Act*, R.S.A. 2000, c.P-7, FTI Consulting Canada Inc. is hereby appointed Receiver, without security, of all of the Debtors’ current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (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 Debtors, 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 Debtors;
 - (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 Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to or by the Debtors;
- (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 Debtors, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;
- (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 Debtors, 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 \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; 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 Debtors;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors 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 Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. (i) The Debtors, (ii) all of their 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 Debtors, 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 Debtors 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 Debtors 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 Debtors, 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 Debtors are not lawfully

entitled to carry on, (ii) exempt the Receiver or the Debtors 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 Debtors, 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 Debtors 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 Debtors 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 Debtors' 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 Debtors 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 new

accounts for each of the Debtors 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 Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors’ 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 Debtors, 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), 81.6(2) and 88 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 from the Plaintiff or one of its affiliates, 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 \$500,000 (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) and 88 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 Debtors, or either of them.
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 Debtors' 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 and shall post thereon 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"
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 Argosy Energy Inc. and Radius Resources Corp, (collectively, the "**Debtors**") appointed by Order of the Court of Queen's Bench of Alberta and Court of Queen's Bench of Alberta in Bankruptcy and Insolvency (collectively, the "**Court**") dated the 30th day of May, 2013 (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 monthly not in advance on the first day of each month after the date hereof at a notional rate per annum equal to the rate of 3 per cent above the prime commercial lending rate of National Bank of Canada 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 6th Floor, 311 – 6th Avenue S.W., Calgary, Alberta, T2P 3H2.
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
SALE APPROVAL AND VESTING ORDER**

Clerk's Stamp

COURT FILE NUMBER 1301-
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY OF
APPLICANT(S) NATIONAL BANK OF CANADA
RESPONDENT(S) ARGOSY ENERGY INC. and RADIUS RESOURCES CORP.
DOCUMENT **SALE APPROVAL AND VESTING ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Sean F. Collins/Walker W. MacLeod
McCarthy Tétrault LLP
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403-260-3710
Facsimile: (403) 260-3501
Email: scollins@mccarthy.ca
wmacleod@mccarthy.ca
File No. 065093-447532

DATE ON WHICH ORDER WAS PRONOUNCED: May 30, 2013
NAME OF JUDGE WHO MADE THIS ORDER: Honourable Justice B.E.C. Romaine
LOCATION OF HEARING: Calgary, Alberta

UPON the application of National Bank of Canada in respect of Argosy Energy Inc. and Radius Resources Corp (the "**Debtors**"); **AND UPON** having read the Application, the Affidavit of Elizabeth Pineda, sworn May 30, 2013 (the "**Supporting Affidavit**"); and the Affidavit of Service of ●, dated May ●, 2013, filed; **AND UPON** noting the order issued in the within proceedings appointing FTI Consulting Canada Inc. as receiver and manager ("**Receiver**") of the assets, properties and undertakings of the Debtors, dated May 30, 2013 (the "**Receivership Order**"); **AND UPON** hearing counsel for the Applicants and any other counsel present; **IT IS HEREBY ORDERED AND DECLARED THAT:**

DEFINED TERMS

1. All capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the form of agreement of purchase and sale between the Debtors, as Vendors, Long Term Management Inc., as Purchaser, and attached as Exhibit “**M**” to the Supporting Affidavit (the “**APA**”).

SERVICE

2. Service of the Notice of Application in respect of this Order (the “**Application**”) in the manner described in the Service Affidavit is hereby declared to be good and sufficient and is validated as of May 29, 2013, no other Persons are entitled to be served with or given notice of the Application.

APPROVAL OF TRANSACTIONS

3. The APA is hereby approved and ratified and it is hereby declared that the APA is commercially reasonable.
4. The Receiver, for and on behalf of the Vendors, is authorized and directed to execute and deliver the APA to the Purchaser, to conclude the transactions contemplated by the APA (the “**Transactions**”) and to take all such steps all such steps and execute all such deeds, documents and instruments as may reasonably be necessary to consummate the Transactions contemplated herein substantially in accordance with its terms, subject to such amendments as the Parties thereto may agree to which do not materially and adversely alter the Transactions or the APA.

VESTING OF PROPERTY

5. Upon the Vendor delivering a certificate (the “**Vendor’s Certificate**”) certifying that the Transactions have closed substantially in accordance with the terms of the APA and the Purchase Price due and owing in respect of such have been tendered to the Vendor then:
 - (a) the Assets shall be vested in the name of the Purchaser or its nominee, free of all estate, right, title, interest, royalty, rental, and equity of redemption of the Debtors and all Persons who claim by, through or under the Debtors and subject only to

the permitted encumbrances identified in the APA (the “**Permitted Encumbrances**”);

- (b) the Debtors and all Persons who claim by, through or under the Debtors in respect of the Assets, save and except the Permitted Encumbrances, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Assets and, to the extent that any such Person remains in possession or control of any of the Assets, they shall forthwith deliver possession of same to the Purchaser or its nominee;
 - (c) the Purchaser or its nominee shall be entitled to enter into, hold and enjoy the Assets for its own use and benefit without any interference of or by the Debtors, or any Person claiming by, through or under the Debtors.
6. Upon closing of the Transactions, subject only to the Permitted Encumbrances, all of the Debtors’ right, title and interest in the Assets shall vest in the Purchaser free and clear from all security interests, claim, estate, security, right, title, interest and liens, including but not limited to, claims, hypothecs, mortgages, charges, liens (whether contractual, statutory or otherwise), security interests, assignments, actions, levies, taxes, judgments, writs of execution, trusts or deemed trusts (whether contractual, statutory or otherwise), options, agreements, disputes, debts, encumbrances or other rights, limitations or restrictions of any nature whatsoever, against the Debtors including without limitation any rights or interests of any of the stakeholders or creditors of the Debtors, whether or not they have attached or been perfected, registered or filed, whether secured or unsecured or otherwise, whether liquidated, unliquidated or contingent (all of the foregoing being collectively referred to hereinafter as the “**Claims**”), whether such claims against the Debtors came into existence prior to, subsequent to or as a result of any previous Order of this Court, by or of all Persons or entities of a 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 agents, trustees, executives, administrators or other legal representatives (collectively, the “**Claimants**”), including for greater certainty and without limiting the generality of the foregoing: (i) any Claims held by or in favour of the Persons served (either directly or through their solicitors) with the Application; and

- (ii) the beneficiary of any Claims created or provided for pursuant to any previous Order in these proceedings including, without limitation, the Receivership Order.
7. For greater certainty, subject only to the Permitted Encumbrances, the Purchaser shall, by virtue of the completion of the Transactions, have no liability of any kind whatsoever to any Claimants.
 8. The Vendor shall hold the net amounts paid to it from the sale of the Assets (the “**Net Proceeds**”), and the Claims shall attach to the Net Proceeds with the same priority they had to the Assets and immediately prior to the closing of the APA and as of the APA has not been completed.
 9. The Transactions shall not be void or voidable at the instance of the Claimants and shall not constitute nor shall be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance or other challengeable or reviewable transaction under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B03, as amended or any other applicable federal or provincial legislation, and the Transactions or any actions taken therewith, shall not constitute conduct meriting an oppression remedy.
 10. Upon the filing of a certified copy of this Order, together with any applicable registration fees, the appropriate government authorities are hereby requested and directed to register such transfers, discharges, discharge statements or conveyances, as may be required to register title to the Assets to the Purchaser or its nominee, subject only to the Permitted Encumbrances.
 11. This Order shall be registered by the Registrar of Land Titles for the South Alberta Land Registration District notwithstanding the requirements of section 191(1) of the *Land Titles Act*, R.S.A., 2000, c.L-7.
 12. This Court hereby requests the aid and recognition of any court or administrative body in any province of Canada, the Federal Court of Canada, any administrative tribunal or other court constituted pursuant to the Parliament of Canada or any of its provinces or territories and any federal or state court or administrative body or any other foreign courts to act in aid of and to be complementary to this Court in carrying out the terms of this Order.

13. Exhibit “L” of the Supporting Affidavit shall be sealed by the Clerk of this Honourable Court on the court file and shall not be made accessible or disclosed to any person. Any interested person may apply, on notice to the Receiver and any other affected persons, to unseal Exhibit “L” of the Supporting Affidavit.
14. Service of this Order on the Service List by email, facsimile, registered mail, courier or personal delivery shall constitute good and sufficient service of this Order, and no Persons other than those on the Service List are entitled to be served with a copy of this Order.

J.C.Q.B.A.

**SCHEDULE C
ORDER (TERMINATION OF PROPOSAL / SUBSTITUTION OF TRUSTEE)**



COURT FILE NO./ ESTATE NO. 25-1723691

COURT COURT OF QUEEN'S BENCH OF ALBERTA
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, c B-3, AS AMENDED

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF ARGOSY ENERGY INC.

APPLICANT ARGOSY ENERGY INC.

DOCUMENT **ORDER (TERMINATING PROPOSAL / SUBSTITUTION OF TRUSTEE)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
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Email: scollins@mccarthy.ca
wmacleod@mccarthy.ca
File No. 065093-447532

DATE ON WHICH ORDER WAS PRONOUNCED: May 30, 2013

NAME OF JUDGE WHO MADE THIS ORDER: Honourable Justice B.E.C. Romaine

LOCATION OF HEARING: Calgary, Alberta

UPON THE APPLICATION of National Bank of Canada (“NBC”) in respect of Argosy Energy Inc. (“Argosy”); **AND UPON** having read the Affidavit of Elizabeth Pineda sworn on May 30, 2013, filed, and the pleadings and proceedings filed herein; **AND UPON** hearing from counsel for NBC and from any other affected parties or their counsel that may be present;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. The time for service of this notice of this Application for this Order is hereby abridged and deemed good and sufficient and this Application is properly returnable today.

2. Pursuant to section 50.4(11) of the *Bankruptcy and Insolvency Act* (Canada), the time for Argosy Energy Inc. to lodge a proposal is terminated.
3. Pursuant to section 57.1 of the BIA FTI Consulting Canada Inc. be and is hereby is appointed as trustee in bankruptcy.

J.C.Q.B.A.

**SCHEDULE D
ORDER (SUBSTITUTION OF TRUSTEE)**

Clerk's Stamp

COURT FILE NO./
ESTATE NO. 25-1723693

COURT COURT OF QUEEN'S BENCH OF ALBERTA
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY
ACT*, RSC 1985, c B-3, AS AMENDED

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF RADIUS RESOURCES CORP.

APPLICANT RADIUS RESOURCES CORP.

DOCUMENT **ORDER (SUBSTITUTION OF TRUSTEE)**

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS DOCUMENT
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wmacleod@mccarthy.ca
File No. 065093-447532

DATE ON WHICH ORDER WAS PRONOUNCED: May 30, 2013

NAME OF JUDGE WHO MADE THIS ORDER: Honourable Justice B.E.C. Romaine

LOCATION OF HEARING: Calgary, Alberta

UPON THE APPLICATION of National Bank of Canada ("**NBC**") in respect of Radius Resources Corp. ("**Radius**"); **AND UPON** having read the Affidavit of Elizabeth Pineda sworn on May 30, 2013, filed, and the pleadings and proceedings filed herein; **AND UPON** hearing from counsel for NBC and from any other affected parties or their counsel that may be present;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. The time for service of this notice of this Application for this Order is hereby abridged and deemed good and sufficient and this Application is properly returnable today.
2. Pursuant to section 50.4(11) of the *Bankruptcy and Insolvency Act* (Canada), the time for Radius Resources Corp. to lodge a proposal is terminated.
3. Pursuant to section 57.1 of the BIA FTI Consulting Canada Inc. be and is hereby is appointed as trustee in bankruptcy.

J.C.Q.B.A.