

Action No. 0901-15297

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL DISTRICT OF CALGARY

IN THE MATTER OF PIIKANI INVESTMENT
CORPORATION

AND IN THE MATTER OF THE *WINDING-UP
AND RESTRUCTURING ACT*, R.S.C. 1985, c.
W-11 (AS AMENDED)

BETWEEN:

PIIKANI NATION and CHIEF REG CROW SHOE

Petitioners

- and -

PIIKANI INVESTMENT CORPORATION

Respondent

BEFORE JUSTICE

R.A. GRAESSER

IN CHAMBERS

) At the Calgary Court Centre, in the
)
) City of Calgary, in the Province of Alberta,
)
) on Thursday, the 22nd day of October, 2009.
)

ORDER

UPON the application of the Petitioners, PIIKANI NATION ("the Nation") and CHIEF REG CROW SHOE, for an Order winding up the affairs of the Respondent, PIIKANI INVESTMENT CORPORATION ("PIC" or the "Company"); **AND UPON** having read the evidence filed; **AND UPON** noting the consent of ALGER & ASSOCIATES INC. to act as Investigator; **AND UPON** having heard counsel for the Respondent and other interested parties; **IT IS HEREBY ORDERED AND DECLARED THAT:**

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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 OF OFFICER

2. Pursuant to s. 14 of the *Winding Up and Restructuring Act*, R.S.C. 1985, c. W-11 (the "Act"), ALGER & ASSOCIATES INC. is hereby appointed Investigator, without security, an officer of this Court (hereinafter the "Officer") to inquire into the affairs of the Company.
3. Any transfer of shares made after granting of this Order are void *ab initio*, except where made with prior leave of this Court.

OFFICER'S DUTIES

4. The Officer shall prepare a statement of the assets, debts and liabilities of the Company as soon as is reasonably feasible.
5. The Officer shall inquire into the conduct and financial affairs of the Company and report thereon within a period not exceeding thirty days after the date of this Order.
6. The above inquiry and investigation may include an investigation of the conduct and financial affairs of the Piikani Energy Corporation, Oldman Irrigation Ltd., Piikani Land Holdings Corporation, or the Oldman Hydro Limited Partnership, provided that this provision shall not be effective upon any party not represented by counsel at the granting of this Order for one week following service of this Order upon it.

OFFICER'S POWERS

7. The Officer is hereby empowered and authorized, but not obligated, :

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- (a) to engage a solicitor or law agent to assist with the exercise of the powers and duties conferred by this Order;
 - (b) to report to, meet with, and discuss with, such affected Persons (as defined below in paragraph 13) as the Officer deems appropriate all matters relating to the affairs of the Company, and to share information, subject to such terms as to confidentiality as the Officer deems advisable;
 - (c) to conduct such audits or reviews as it may, in its professional opinion, deem necessary and desirable to bring the financial records and books of the Company up-to-date; and
 - (d) to take any steps reasonably incidental to the exercise of these powers. In each case where the Officer takes any such actions or steps, it shall be exclusively authorised and empowered to do so, to the exclusion of all other Persons (as defined below), including the Company, and without interference from any other Person.
8. If it appears that any past or present director, manager, liquidator, receiver, employee or officer of the Company has misapplied or retained in his own hands, or become liable or accountable for any moneys of the company, or has been guilty of any misfeasance or breach of trust in relation to the Company, the Officer may apply to the Court for an Order examining into the conduct of the director, manager, liquidator, receiver, employee or officer.
9. The Officer may, from time to time, apply to this Court for advice and directions in the discharge of its powers and duties hereunder including, without limitation, for advice and directions with respect to any forensic or other audit that the Officer, in its professional opinion, deems necessary or desirable, or for an Order directing a third party to disclose any records or Property (as defined below) in its possession.

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ADJOURNMENT

10. The issue of whether the duties of the directors should be suspended and whether the Officer should take over custody, control and operations of the Company is hereby adjourned *sine die*.
11. Until the hearing of the aforementioned issues, or until further order of this court:
 - (a) The powers of the directors shall continue; and
 - (b) The Officer shall not take custody of the Property (as defined below) of the Company.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE OFFICER

12. The Company and its past and present president, directors, officers and employees and every other person shall respectively:
 - (a) Provide to the Officer the books of account of the Company and all inventories, paper and vouchers referring to the business of the Company or of any person therewith that are in their possession, custody or control; and
 - (b) Give all such information as is required by the Officer in order to form a just estimate of the affairs of the Company
13. The Company, all of its current and former directors, officers, employees, agents, accountants, legal counsel, shareholders, corporations or businesses in which the Company has an interest, and all other persons acting on its instructions or behalf, and 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 Officer of the existence of any and all of the Company's current and future assets, effects, or choses in action, businesses, concerns, or undertakings,

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securities, and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the "Property") in such Person's possession or control, and shall grant immediate and continued access to the Property to the Officer.

14. All Persons shall forthwith advise the Officer 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 Company, 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 Officer or permit the Officer to make, retain and take away copies thereof and grant to the Officer unfettered access to and use of accounting, computer, software and physical facilities relating thereto; PROVIDED, however, that nothing in paragraph 12 or in paragraph 13 of this Order shall require the delivery of Records, or the granting of access to Records, that may not be disclosed or provided to the Officer due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation, or due to statutory provisions prohibiting such disclosure.
15. 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 Officer for the purpose of allowing the Officer 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 Officer, in its discretion, deems expedient, and such Persons shall not alter, erase or destroy any Records without the prior written consent of the Officer. Further, for the purposes of this paragraph, all Persons shall provide the Officer with all such assistance in gaining immediate access to the information in the Records as the Officer may, in its discretion, require, including providing the

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Officer with instructions on the use of any computer or other system and providing the Officer 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 OFFICER

16. No suit, action, claim, or other proceeding or enforcement process in any court, board, or tribunal (each, a "Proceeding"), shall be commenced or continued against the Officer, except with leave of this Court.

NO PROCEEDINGS OR REMEDIES AGAINST THE COMPANY OR THE PROPERTY

17. The stay of proceedings granted by Order of Justice Romaine on October 9, 2009, as amended by Justice Graesser by an Order granted October 15, 2009, shall be continued until December 7, 2009, or until further Order of this Court; PROVIDED, however, that nothing in this paragraph shall:

- (a) 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 17;
- (b) prevent the filing of any registration to preserve or perfect a security interest, or
- (c) prevent the registration of a claim for lien.

and "registration" herein shall not be construed so as to include enforcement Proceedings in respect thereof.

18. For greater certainty, the following matters are also included in the stay of proceedings:

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- (a) Piikani Investment Corporation v. Piikani Energy Corporation, Dale McMullen, Stephanie Ho Lem, Stan Knowlton, Kerry Scott and Edwin Yellow Horn, being Action No. 0901-07214; and
- (b) Wilfred Willier, Derek Smith, Karen English, Allen Vaughn, Pat Provost, Herman Many Guns and Piikani Investment Corporation v. Stan Knowlton, Dale McMullen, Stephanie Ho Lem, Shelly Small Legs and Piikani Energy Corporation, being Action No. 0901-15268.

OFFICER NOT A SUCCESSOR EMPLOYER, AND ENVIRONMENTAL MATTERS

- 19. Neither the Officer nor any of the Officer's agents or employees shall be deemed an employer or successor employer of the Company's employees within the meaning of the *Employment Standards Code* (Alberta), the *Employment Pension Plans Act* (Alberta), the *Labour Relations Code* (Alberta), or any other Federal, Provincial, or Municipal legislation governing employment or labour standards or any other statute, regulation, or rule of law or equity, for any purpose whatsoever.
- 20. Neither the Officer nor any of the Officer's agents or employees shall be, or deemed to be, in possession, charge, or control of the Company's Property, business, or affairs pursuant to any Federal, Provincial, or Municipal legislation, statute, regulation, or rule of law or equity that imposes liability on the basis of such possession, charge, or control including, without limitation, the *Environmental Protection and Enhancement Act* (Alberta), the *Canadian Environmental Protection Act*, or the *Water Act* (Alberta).

NO INTERFERENCE WITH THE OFFICER

- 21. 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 Company, without leave of this Court.

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22. CIBC TRUST CORPORATION may apply on 2 clear days notice for advice and directions if it is requested or directed to advance funds from the Investment Account of the Piikani Trust (each as defined in the Piikani Trust Agreement attached as Exhibit "A" to the Affidavit of Reg Crow Shoe sworn October 9, 2009).

CONTINUATION OF SERVICES

23. All Persons having oral or written agreements with the Company, 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 Company 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 Company, and this Court directs that the Company shall be entitled to the continued use of the Company's current telephone numbers, facsimile numbers, internet addresses and domain names; PROVIDED that, 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 Company in accordance with normal payment practices of the Company or such other practices as may be agreed upon by the supplier or service provider and the Officer, or as may be ordered by this Court.

OFFICER'S ACCOUNTS

24. Any expenditure or liability which shall properly be made or incurred by the Officer, including the fees of the Officer and the fees and disbursements of its legal counsel, incurred at the standard rates and charges of the Receiver and its counsel, shall be allowed to it in passing its accounts.
25. The matter of the payment of the Officer's accounts and any charges upon any property securing same shall be adjourned until 1:00 p.m. on Friday, October 30,

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2009, unless the matter is settled at an earlier date among those parties present or represented in Court at the granting of this Order.

GENERAL

26. The Officer shall report to this Court regarding the status of its investigations pursuant to paragraphs 5 and 6 on or before November 23, 2009.
27. The Officer may, from time to time, apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
28. Nothing in this Order shall prevent the Officer from subsequently being appointed as a liquidator, receiver or trustee in bankruptcy of the Company.
29. This Court hereby requests the aid and recognition of any court, board, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Officer and its agents in carrying out the terms of this Order. All courts, boards, tribunals, and regulatory and administrative bodies are hereby respectfully requested to make such orders, and to provide such assistance, to the Officer, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Officer and its agents in carrying out the terms of this Order.
30. The Officer shall be at liberty to, and is hereby authorized and empowered to, apply to any court, board, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.
31. Any interested party may apply to this Court to vary or amend this Order on not less than 3 clear business days' notice to the Officer 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.

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32. This Order may be approved in counterpart and by facsimile or electronic transmission.

FILING AND SERVICE

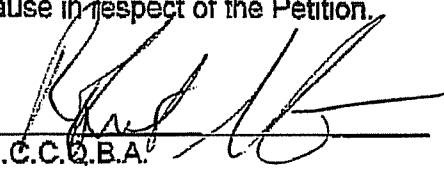

33. Upon filing, this Order shall, as soon as reasonably practicable, be served by courier, regular mail, electronic mail, or facsimile, upon all shareholders and Directors of the Company, all known creditors of the Company, and the Officer, which said creditors shall include PIKANI ENERGY CORPORATION, CIBC TRUST CORPORATION, SHELLY SMALL LEGS, STAN KNOWLTON, VELMA LITTLE MUSTACHE, HER MAJESTY THE QUEEN IN RIGHT OF ALBERTA and HER MAJESTY THE QUEEN IN RIGHT OF CANADA.
34. Service upon creditors or other interested parties, currently engaged in litigation with the Company may be effected by service upon the solicitors of record in respect of that litigation by the same methods as in paragraph 33 herein.
35. This Order shall be posted at the Piikani Nation Administration Office and the Elder Centre on the Piikani Indian Reserve No. 147.
36. The Petitioners are hereby granted leave to apply *ex parte* to this Court for advice and directions with respect to service as herein provided.

ADJOURNMENT


37. The remainder of the within Petition is hereby adjourned *sine die*.

COSTS


38. Costs of this Application shall be in the cause in respect of the Petition.

Per: 
J.C.C.Q.B.A. 

Entered this ^{November} 5 day of October, 2009.

K. MCAUSLAND 
Clerk of the Court

Approved as to form and content this 30 day of October, 2009.
WALSH WILKINS CREIGHTON LLP


Per: Michael L. Pflueger
Solicitor for the Petitioners

Approved as to form and content this ___ day of October, 2009.
CARON & PARTNERS LLP

Per: Richard Gilborn, Q.C.
Solicitor for the Investigator, Alger & Associates Inc.

Approved as to form and content this ___ day of October, 2009.
MacMILLAN LLP

Per: Mark Klassen
Solicitor for the Respondents

Approved as to form and content this ___ day of October, 2009.
BLAKE CASSELS & GRAYDON LLP

Per: Kelly Bourassa
Solicitor for CIBC Trust Corporation

COSTS

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Per: _____
J.C.C.Q.B.A.

Entered this _____ day of October, 2009.

Clerk of the Court

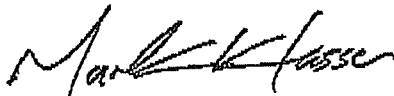
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WALSH WILKINS CREIGHTON LLP

Per: Michael L. Pflueger
Solicitor for the Petitioners

Approved as to form and content this
_____ day of October, 2009.
CARON & PARTNERS LLP

Per: Richard Gilborn, Q.C.
Solicitor for the Investigator, Alger &
Associates Inc.

Approved as to form and content this
29 day of October, 2009.
MacMILLAN LLP


Per: Mark Klassen
Solicitor for the Respondents

Approved as to form and content this
_____ day of October, 2009.
BLAKE CASSELS & GRAYDON LLP

Per: Kelly Bourassa
Solicitor for CIBC Trust Corporation

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Per: _____
J.C.C.Q.B.A.

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WALSH WILKINS CREIGHTON LLP


Approved as to form and content this
_____ day of October, 2009.
MacMILLAN LLP

Per: Michael L. Pflueger
Solicitor for the Petitioners

Per: Mark Klassen
Solicitor for the Respondents

Approved as to form and content this
28 day of October, 2009.
CARON & PARTNERS LLP

Approved as to form and content this
_____ day of October, 2009.
BLAKE CASSELS & GRAYDON LLP


Per: Richard Gilbom, Q.C.
Solicitor for the Investigator, Alger &
Associates Inc.

Per: Kelly Bourassa
Solicitor for CIBC Trust Corporation

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

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Clerk of the Court

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MacMILLAN LLP

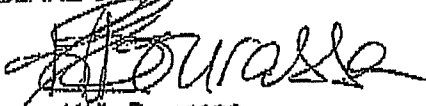
Per: Michael L. Pflueger
Solicitor for the Petitioners

Per: Mark Klassen
Solicitor for the Respondents

Approved as to form and content this
_____ day of October, 2009.
CARON & PARTNERS LLP

Approved as to form and content this
~~24~~ day of October, 2009.
BLAKE CASSELS & GRAYDON LLP

Per: Richard Gilborn, Q.C.
Solicitor for the Investigator, Alger &
Associates Inc.


Per: Kelly Bourassa
Solicitor for CIBC Trust Corporation

Approved as to form and content this
28 day of October, 2009.
FLEMING LLP



Per: Clive O. Llewellyn
Solicitor for Piikani Energy Corporation,
Dale McMullen, Stephanie Ho Lem,
Kerry Scott and Edwin Yellow Horn

Approved as to form and content this
____ day of October, 2009.
FIELD LLP

Per: Ian MacDonald Q.C.
Solicitor for Stan Knowlton

Approved as to form and content this
____ day of October, 2009.

WILFRED WILLIER
Barrister & Solicitor
On his own behalf

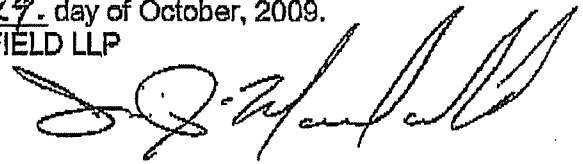
- 12 -

Approved as to form and content this
____ day of October, 2009.
FLEMING LLP

Per: Clive O. Llewellyn
Solicitor for Piikani Energy Corporation,
Dale McMullen, Stephanie Ho Lem,
Kerry Scott and Edwin Yellow Horn

Approved as to form and content this
29 day of October, 2009.
FIELD LLP

Per: Ian MacDonald Q.C.
Solicitor for Stan Knowlton



Approved as to form and content this
____ day of October, 2009.

WILFRED WILLIER
Barrister & Solicitor
On his own behalf

Action No. 0901-15297

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Petitioners

- and -

PIIKANI INVESTMENT CORPORATION

Respondent

CLERK OF THE COURT
NOV - 5 2009
CALGARY, ALBERTA

ORDER

WALSH WILKINS CREIGHTON LLP
Barristers and Solicitors
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Calgary, Alberta T2P 4A3

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