

COURT/ESTATE FILE NUMBER 25-3276975
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

Clerk's Stamp



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 BLUE SKY RESOURCES LTD.

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DOCUMENT **APPROVAL AND VESTING ORDER (OBSIDIAN)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT DLA Piper (Canada) LLP
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File No. 101988-00025

DATE ON WHICH ORDER WAS PRONOUNCED: February 18, 2026

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary Courts Centre, Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice C.M. Jones

UPON THE APPLICATION by Blue Sky Resources Ltd. (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Debtors and Obsidian Energy Ltd. (the "**Purchaser**") dated February 13, 2026, an unredacted copy of which is attached as Exhibit "A" to the confidential affidavit #1 of Mike Bouvier, sworn on February 18, 2026 (the "**Confidential Affidavit**"), and vesting in the Purchaser (or its nominee) the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**");

AND UPON HAVING READ the Affidavit Mike Bouvier, sworn February 11, 2026, the supplemental affidavit of Mike Bouvier, sworn February 13, 2026, the Confidential Affidavit, the Sixth Report

of KSV Restructuring Inc. in its capacity as proposal trustee of the Debtor (the "**Proposal Trustee**"), dated February 13, 2026 (the "**Sixth Report**") and the Affidavit of Service of Emily Nakogee, dated February 17, 2026; **AND UPON HEARING** the submissions of counsel for the Debtor, the Proposal Trustee, the Purchaser, and counsel for other parties present at the this Application;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.

APPROVAL OF TRANSACTION

2. The Transaction is hereby approved and execution of the Sale Agreement by the Debtor is hereby authorized and approved, with such minor amendments as the Debtor and Purchaser may deem necessary. The Debtor and Purchaser are each hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for completion of the Transaction and conveyance of the Purchased Assets to the Purchaser (or its nominee).

VESTING OF PROPERTY

3. Upon delivery of a Trustee's certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule "A"** hereto (the "Trustee's Closing Certificate"), all of the Debtor's right, title and interest in and to the Purchased Assets listed in **Schedule "B"** hereto shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, "Claims") including, without limiting the generality of the foregoing:
 - (a) any encumbrances or charges created by orders of this Court in these proceedings, including:
 - (i) the Administration Charge, created pursuant to the Order of the Honourable Justice D. Mah, granted on October 15, 2025, as amended by the Order of the Honourable Justice C.M. Jones granted on February 18, 2026; and

- (ii) the Interim Lender's Charge, created pursuant to the Order of the Honourable Justice J.T. Nielson on November 7, 2025,
- (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system;
- (c) any liens or claims of lien under the *Builders' Lien Act* (Alberta); and
- (d) those Claims listed in **Schedule "C"** hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule "D"** (collectively, "Permitted Encumbrances"))

and for greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets

4. Upon delivery of the Trustee's Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Trustee's Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser or its nominee clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing:

- (a) Alberta Energy ("**Energy Ministry**") shall and is hereby authorized, requested and directed to forthwith:
 - (i) cancel and discharge those Claims including builders' liens, security notices, assignments under section 426 (formerly section 177) of the *Bank Act* (Canada) and other Encumbrances (but excluding Permitted Encumbrances) registered (whether before or after the date of this Order) against the estate or interest of the Debtor in and to any of the Purchased Assets located in the Province of Alberta; and
 - (ii) transfer all Crown leases listed in **Schedule "E"** to this Order standing in the name of the Debtor, to the Purchaser (or its nominee) free and clear of all Claims including Encumbrances but excluding Permitted Encumbrances;
- (b) the Registrar of the Alberta Personal Property Registry (the "**PPR Registrar**") shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Debtor in any

of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.

5. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Trustee's Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims including Encumbrances but excluding Permitted Encumbrances.
6. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Debtor of the Sale Agreement.
7. Upon delivery of the Trustee's Closing Certificate together with a certified copy of this Order, this Order shall be immediately registered by the Land Titles Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed. The Land Titles Registrar is hereby directed to accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtor and not in its personal capacity.
8. For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets from and after delivery of the Trustee's Closing Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. Unless otherwise ordered (whether before or after the date of this Order), the Debtor shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets without further order of this Court, provided however, and notwithstanding anything contained in this paragraph of this Order, the Debtor may, at its discretion, apply any part of such net proceeds to repay any post-filing obligations that have accrued during these proceedings that are secured by the Administration Charge granted in these proceedings.
9. Upon completion of the Transaction, the Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the

benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).

10. The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtor, or any person claiming by, through or against the Debtor.
11. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Proposal Trustee, or against the Debtor in respect of the claims arising from the Permitted Encumbrances.
12. The Trustee is directed to file with the Court a copy of the Trustee's Closing Certificate forthwith after delivery thereof to the Purchaser (or its nominee).

MISCELLANEOUS MATTERS

13. Notwithstanding:
 - (a) the pendency of these proceedings and any declaration of insolvency made herein;
 - (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended (the "BIA"), in respect of the Debtor, and any bankruptcy order issued pursuant to any such applications;
 - (c) any assignment in bankruptcy made in respect of the Debtor; and
 - (d) the provisions of any federal or provincial statute:

the vesting of the Purchased Assets in the Purchaser (or its nominee) pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA 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. The Proposal Trustee, the Debtor, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.
15. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the Debtor, the Purchaser the Proposal Trustee, and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to the Debtor, the Purchaser, and the Proposal Trustee, as an officer of the Court, as may be necessary or desirable to give effect to this Order or to assist each of them and their respective agents in carrying out the terms of this Order.
16. Service of this Order shall be deemed good and sufficient by:
- (a) Serving the same on:
 - (i) the persons listed on the service list created in these proceedings;
 - (ii) any other person served with notice of the application for this Order;
 - (iii) any other parties attending or represented at the application for this Order;
 - (iv) the Purchaser or the Purchaser's solicitors; and
 - (b) Posting a copy of this Order on the Proposal Trustee's website at:
<https://www.ksvadvisory.com/experience/case/blue-sky-resources-ltd>
- and service on any other person is hereby dispensed with.
17. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.



Justice of the Court of King's Bench of Alberta

Schedule "A"**Form of Trustee's Certificate**

COURT/ESTATE FILE NUMBER	25-3276975
COURT	COURT OF KING'S BENCH OF ALBERTA
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
BLUE SKY RESOURCES LTD.

DOCUMENT	PROPOSAL TRUSTEE'S CERTIFICATE
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ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	DLA Piper (Canada) LLP 1000, 250 2 Street SW Calgary, Alberta T2P OC1
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Lawyer: Carole J. Hunter / Anthony Mersich
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anthony.mersich@ca.dlapiper.com

File No. 101988-00025

RECITALS

- A. On September 24, 2025, Blue Sky Resources Ltd. (the "Debtor") filed a notice of intention to make a proposal under Part III of the *Bankruptcy and Insolvency Act*, RSC 1985 c. B-3.
- B. Pursuant to an Order of the Honourable Justice C.M. Jones of the Court of King's Bench of Alberta (the "Court") dated February 18, 2026, the Court approved the agreement of purchase and sale made as of February 11, 2026, (the "Sale Agreement") between the Debtor and **Obsidian Energy Ltd.** (the "Purchaser") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by KSV Restructuring Inc. in its capacity as proposal trustee of the Debtor (the "Proposal Trustee") to the Purchaser of a certificate confirming (i) the payment

by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section * of the Sale Agreement have been satisfied or waived by the Debtor and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Debtor and the Purchaser.

- C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale Agreement.

THE PROPOSAL TRUSTEE CERTIFIES the following:

1. The Purchaser (or its nominee) has paid and the Debtor has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section * of the Sale Agreement have been satisfied or waived by the Debtor and the Purchaser (or its nominee); and
3. The Transaction has been completed to the satisfaction of the Debtor and the Purchaser.
4. This Certificate was delivered by the Receiver at [Time] on [Date].

**KSV Restructuring Inc. in its capacity
as proposal trustee of Blue Sky
Resource Ltd., and not in its personal
or corporate capacity.**

Per; _____

Name: Andrew Basi

Title: Managing Director

SCHEDULE "B"**LIST OF ASSETS****ALL OF BLUE SKY'S INTEREST IN THE FOLLOWING ROADS****Description of Roads:**

South Seal Road	North Seal Road	NW Seal Lake Road	Deep South Seal Road
LOC801483	LOC801483	LOC931390	LOC851472
LOC801483	LOC760917	LOC230882	LOC230696
MSL790298	LOC780169	LOC230882	LOC232213
	LOC820807	LOC002429	LOC232213
	LOC081325	LOC002429	LOC232213
		LOC002495	LOC4121
		LOC012306	
		LOC972128	
		LOC970805	

SCHEDULE "C"

CLAIMS

NIL

SCHEDULE "D"

PERMITTED ENCUMBRANCES

Nil

SCHEDULE "E"

CROWN LEASES TO TRANSFER

Nil