

Court File No.: CV-18-594380-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF DISCOVERY AIR INC.

APPLICANT

**MOTION RECORD
(SSP Approval Order and Stay Extension)
(returnable April 4, 2018)**

March 28, 2018

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INDEX

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INDEX

Tab	Document	Page No.
1.	Notice of Motion, returnable April 4, 2018	001
2.	Affidavit of Paul Bernards, sworn March 28, 2018	012
A.	Asset Purchase Agreement (Great Slave Helicopter), dated March 21, 2018	021
B.	Asset Purchase Agreement (Air Tindi), dated March 21, 2018	093
C.	Asset Purchase Agreement (Discovery Mining Services), dated March 21, 2018	164
D.	Asset Purchase Agreement (Top Aces), dated March 21, 2018	235
E.	Proposed Sale Solicitation Process	311
3.	Draft SSP Approval Order	333
4.	Draft Order (Stay Extension)	361

TAB 1

**ONTARIO
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**NOTICE OF MOTION
(SSP Approval Order and Stay Extension)
(returnable April 4, 2018)**

Discovery Air Inc. (“**Discovery**” or the “**Applicant**”) will make a motion to Justice Hainey of the Commercial List on **Wednesday April 4, 2018 at 9:30 a.m.** or as soon as after that time as the motion can be heard, at 300 University Avenue, 8th Floor, Toronto, Ontario.

THE PROPOSED METHOD OF HEARING: The motion is to be heard:

- in writing under subrule 37.12.1(1) because it is made without notice;
- in writing as an opposed motion under subrule 37.12.1(4); or
- orally.

THE MOTION IS FOR ORDERS:

- (a) abridging the time for service of the Notice of Motion and Motion Record in respect of this motion and dispensing with further service thereof;
- (b) approving the Stalking Horse Agreements (defined below) for the purposes of constituting stalking horse bids under the SSP (defined below);

- (c) approving the sale solicitation process (the “**SSP**”) for the sale of, among other things, Discovery’s shares in Top Aces Holdings Inc. (“**TA Holdings**”), Great Slave Helicopters Ltd. (“**GSH**”), Air Tindi Ltd (“**ATL**”) and Discovery Mining Services Ltd. (“**DMS**”);
- (d) extending the Stay Period (as defined in the Initial Order, defined below) to and including June 29, 2018; and
- (e) such further and other relief as counsel may request and this Honourable Court deem just;

THE GROUNDS FOR THE MOTION ARE:

- (a) On March 21, 2018 Discovery was granted protection under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), pursuant to an initial order (the “**Initial Order**”) of this Honourable Court and KSV Kofman Inc. was appointed as monitor (the “**Monitor**”) in the CCAA proceedings;
- (b) From the outset, Discovery has indicated that the main purpose of its CCAA proceedings will be to conduct a sale process for the sale of Discovery’s remaining assets which are comprised of its equity interests in GSH, ATL, DMS, its minority interest in TA Holdings, and other miscellaneous assets;

THE STALKING HORSE AGREEMENTS

- (c) Clairvest Group Inc. and its affiliates, including certain funds managed by Clairvest Group Inc. (collectively, “**Clairvest**”¹ and references to “**Clairvest**” herein may refer to any or all such affiliates and/or funds, as applicable), among other things, is owed over \$72.7 million pursuant to certain secured debentures (the “**CV Secured Debentures**”) issued by Discovery to Clairvest in September 2011 as well as Discovery’s DIP lender pursuant to a DIP Term Sheet dated as of March 21,

¹ As applicable, the term “Clairvest” may also include Mr. G. John Krediet, an individual investor within the Clairvest group.

2018 pursuant to which Clairvest has provided Discovery a \$12.6 million DIP facility (the “**DIP Facility**”) to fund these CCAA proceedings;

- (d) Discovery and Clairvest have negotiated the terms of four (4) stalking horse agreements, all dated as of March 21, 2018, pursuant to which Clairvest has agreed to act as a “stalking horse purchaser” in connection with the sale of Discovery’s equity interest in each of GSH, ATL and DMS (collectively referred to as the “**Northern Stalking Horse Agreements**”), its remaining minority interest in TA Holdings (the “**TA Stalking Horse Agreement**” and together with the Northern Stalking Horse Agreements, the “**Stalking Horse Agreements**”), and all further assets of Discovery related to the businesses of such subsidiaries, including intercompany obligations owed to Discovery by its subsidiaries and all claims and causes of action of Discovery against other persons;
- (e) The purchase price for each of the Stalking Horse Agreements constitutes either a bid of or proposed assumption of Clairvest’s secured debt owing under either or both of the CV Secured Debentures and/or the DIP Facility;
- (f) Specific terms and conditions to the Stalking Horse Agreements can be referenced in the Stalking Horse Agreements themselves however, it should be noted that none of the Stalking Horse Agreements require any breakup fee or expense reimbursement payable to Clairvest in the event that Clairvest is not the successful bidder under the SSP;

THE SALE SOLICITATION PROCESS

- (g) Discovery, in consultation with the Monitor, has prepared a proposed SSP process for the marketing and sale of the shares of TA Holdings, GSH, ATL and DMS, along with the other assets contemplated by the Stalking Horse Agreements;
- (h) The SSP contemplates a solicitation period after which, to the extent that “qualified bids” are received for one or more of the transactions, one or more auctions will be conducted to determine the successful bidder for each transaction;

- (i) It is proposed that the SSP will be overseen, conducted and run by the Monitor, given the relationship between Discovery and Clairvest, including Clairvest's role as stalking horse bidder;
- (j) Further, pursuant to the terms of the SSP Clairvest will not be entitled to any information regarding the SSP that is not otherwise provided to other Qualified Bidders (as defined in the SSP) and the proposed Order prohibits Discovery from communicating any information regarding the SSP to Clairvest;
- (k) The oversight of the SSP by the Monitor and the protections set out above will ensure the processes set out are conducted fairly and impartially;
- (l) The SSP provides for a solicitation period during which the Monitor (in consultation with Discovery) will solicit interest in the various transactions both through press release as well as direct solicitation of potential bidders;
- (m) All communications with any interested parties (including Clairvest in its role as stalking horse bidder) will go through the Monitor and no direct communication will be made with Discovery (absent consent or direction of the Monitor);

STAY EXTENSION

- (n) Discovery has been and continues to act in good faith and with due diligence in the conduct of its CCAA proceedings;
- (o) The extension of the Stay Period to and including June 29, 2018 is necessary while Discovery and the Monitor complete the SSP and auction process;
- (p) The cash flow forecast filed in connection with the Initial Order covers the period through the proposed extension period;

GENERAL

- (q) The provisions of the CCAA; and

- (r) Such further and other grounds as counsel may advise and this Honourable Court permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

- (a) The affidavit of Paul Bernards, sworn March 28, 2018;
- (b) The First Report of the Monitor, to be filed; and
- (c) Such further and other evidence as counsel may advise and this Honourable Court may permit.

March 28, 2018

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TO: The Attached Service List

Court File No.: CV-18-594380-00CL

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Proceeding commenced TORONTO

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TAB 2

Court File No.: CV-18-594380-00CL

**ONTARIO
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APPLICANT

**AFFIDAVIT OF PAUL BERNARDS
(sworn March 28, 2018)**

I, Paul Bernards, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY:

1. I am the Chief Financial Officer of Discovery Air Inc. (“**Discovery**” or the “**Applicant**”), a position that I have held since April 1, 2014. Prior to that time, I was a consultant to Discovery from March 17 to April 1, 2014. As such, I have personal knowledge of the matters to which I hereinafter depose in this Affidavit. Where I do not have personal knowledge of the matters set out herein, I have stated the source of my information and, in all such cases, believe it to be true.
2. This Affidavit is sworn in support of a motion by Discovery for orders, *inter alia*, approving:
 - (a) The Stalking Horse Agreements (defined below) for the purposes of constituting stalking horse bids in the SSP (defined below);
 - (b) a sale solicitation process (“**SSP**”) for the sale of, among other things, Discovery’s shares of Top Aces Holdings Inc. (“**TA Holdings**”), Great Slave Helicopters Ltd. (“**GSH**”), Air Tindi Ltd. (“**ATL**”) and Discovery Mining Services Ltd. (“**DMS**”); and

- (c) An extension of the Stay Period (defined below) to and including June 29, 2018.

BACKGROUND

3. On March 21, 2018, Discovery was granted protection under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), pursuant to an initial order (the "**Initial Order**") of this Honourable Court and KSV Kofman Inc. was appointed as monitor (the "**Monitor**") in the CCAA proceedings.

4. Further details regarding the background of Discovery and the facts leading up to these proceedings are set out in my initial affidavit sworn March 21, 2018 (my "**Initial Affidavit**"), and therefore not repeated herein.

EVENTS SINCE FILING

5. Since the commencement of the CCAA proceedings, Discovery has been in communication with many of its and its subsidiaries' key stakeholders to advise them of the proceedings and to assure key customers, suppliers and employees of the subsidiaries of the intention to continue to operate in the ordinary course during these proceedings.

6. Additionally, Discovery has had communications with its principal secured lenders with respect to the commencement and purpose of these proceedings, including the SSP. I am also aware that certain of Discovery's unsecured bondholders have contacted Discovery since the filing. Any such communications have been forwarded to the Monitor and I understand the Monitor will also provide an update on these communications in its report.

7. On March 27, 2018, the Toronto Stock Exchange ("**TSX**") sent a notice to Discovery providing notice that it had determined to delist Discovery's securities effective at the close of market on April 27, 2018. Further, the TSX indicated that trading will remain suspended.

THE STALKING HORSE AGREEMENTS

8. As set out in my Initial Affidavit, the main purpose of Discovery's CCAA proceedings is to allow for the sale of Discovery's remaining assets, which are comprised of its equity interests in GSH, ATL, DMS, its minority interest in TA Holdings, and other miscellaneous assets. In furtherance of that process, Discovery and Clairvest (defined below) have negotiated the terms of

four (4) stalking horse agreements all dated as of March 21, 2018, pursuant to which Clairvest has agreed to act as a “stalking horse purchaser” in connection with Discovery’s sale of its equity interest in each of GSH, ATL and DMS (referred to herein as the “**GSH Stalking Horse Agreement**”, “**ATL Stalking Horse Agreement**” and “**DMS Stalking Horse Agreement**” and collectively, the “**Northern Stalking Horse Agreements**”), its remaining minority interest in TA Holdings (the “**TA Stalking Horse Agreement**” and together with the Northern Stalking Horse Agreements, the “**Stalking Horse Agreements**”), and all further assets of Discovery, including intercompany obligations owed to Discovery by its subsidiaries and all claims and causes of action of Discovery against other persons. Copies of the Stalking Horse Agreements are attached hereto as Exhibits “A” through “D”.

9. As set out in more detail in my Initial Affidavit, Clairvest Group Inc. and its affiliates, including certain funds managed by Clairvest Group Inc. (collectively, “**Clairvest**”¹ and references to “**Clairvest**” herein may refer to any or all such affiliates and/or funds, as applicable), among other things, was owed over \$72.7 million as at January 31, 2018 pursuant to certain secured debentures (the “**CV Secured Debentures**”) issued by Discovery to Clairvest in September 2011, and is Discovery’s DIP lender pursuant to a DIP Term Sheet dated as of March 21, 2018 (the “**DIP Term Sheet**”) pursuant to which Clairvest has provided Discovery a \$12.6 million DIP facility (the “**DIP Facility**”) to fund operations of Discovery and its subsidiaries during these CCAA proceedings. The purchase price for each of the Stalking Horse Agreements constitutes either a bid of or proposed assumption of Clairvest’s secured debt owing under either or both of the CV Secured Debentures and/or the DIP Facility.

10. References should be made to the Stalking Horse Agreements themselves for their specific terms and conditions. Briefly, some of the key terms of the Stalking Horse Agreements are as follows:²

¹ As applicable, the term “Clairvest” may also include Mr. G. John Krediet, an individual investor within the Clairvest group.

² The summary set out herein of the Stalking Horse Agreements is for informational purposes only.

TA Stalking Horse Agreement

<u>Parties:</u>	Seller: Discovery Buyers: CEP IV Investment Limited Partnership, Clairvest Equity Partners IV Limited Partnership, DA Holdings Limited Partnership and G. John Krediet
<u>Price</u>	Credit bid of Clairvest secured indebtedness under the CV Secured Debentures and/or DIP financing in the aggregate amount of \$20,825,000 <u>plus</u> certain Assumed Liabilities (defined below)
<u>Shares Being Sold</u>	253.83602 issued and outstanding Class A common shares of TA Holdings (“ TA Shares ”)
<u>Other Assets Being Sold</u>	(i) certain other assets, property and undertaking owned by Discovery and used solely in connection with or for the benefit of the Top Aces business; and (ii) all residual assets of Discovery, excluding those assets being sold as part of the other stalking horse transactions, but including certain Assigned Contracts (defined and discussed below) and claims and causes of action of Discovery against other persons
<u>Assumed Liabilities</u>	The Buyer agrees to assume the following liabilities of Discovery (the “ Assumed Liabilities ”): (i) obligations under any assigned contracts; and (ii) certain “permitted encumbrances” being, those encumbrances which are imposed by applicable law and rank in priority to the security held by Clairvest and any transfer restrictions on the TA Shares.
<u>Key Conditions</u>	The completion of the transaction is subject to a number of conditions for the benefit of the Buyers including

- (i) The SSP shall have been approved by the Court by no later than April 4, 2018;
- (ii) The Court shall have granted an approval and vesting order on or before June 14, 2018;
- (iii) Any transition services agreement required by the Buyers shall have been entered into; and
- (iv) No material adverse change shall have occurred.

Northern Stalking Horse Agreements

Parties: Seller: Discovery
Buyer: 10671541 Canada Inc.

Price The purchase price under each of the Northern Stalking Horse Agreements is the assumption of a specific amount of the secured debt owing to Clairvest pursuant to the DIP Facility and/or the CV Secured Debentures (in the amounts listed below, the “**CV Assumed Debt**”) plus the Assumed Liabilities (defined below)

<u>CV Assumed Debt</u>	GSH	ATL	DMS
	\$12,381,000	\$19,765,000	\$5,000,000;

Assumed Liabilities The Buyer agrees to assume the following liabilities of Discovery (the “**Assumed Liabilities**”):

- (i) Obligations under any assigned contracts
- (ii) Liability under the CV Secured Debentures up to the amount specified in the applicable Stalking Horse Agreement;
- (iii) CIBC indebtedness;
- (iv) ECN indebtedness;
- (v) Roynat Indebtedness;

- (vi) All liabilities arising from intercompany transactions between Discovery and the applicable subsidiary; and
- (vii) Any other “permitted encumbrances” as set out in the applicable Stalking Horse Agreement.

<u>Shares being Sold</u>	<u>GSH</u>	<u>ATL</u>	<u>DMS</u>
	157,891,795 issued and outstanding Class A common shares; 1,111 issued and outstanding Class D common shares; 40,000,000 issued and outstanding Class E common shares; 7,624 issued and outstanding Class F preferred shares; 11,072 issued and outstanding Class G preferred shares and 14,400 issued and outstanding Class H preferred shares (“ GSH Shares ”);	1870 issued and outstanding Class A common shares of ATL (“ ATL Shares ”)	22,883,047 issued and outstanding Class A common shares of DMS (“ DMS Shares ”)

<u>Other Assets Being Sold</u>	
	(i) all books and records relating to the business;
	(ii) any assigned contracts set out on Schedule 2.1(c) of the applicable Stalking Horse Agreement;
	(iii) certain other assets, property and undertaking owned Discovery and used solely in connection with or for the benefit of the relevant business; and
	(iv) all intercompany debt, liabilities or other claims that Discovery has against the applicable subsidiary or its officers or directors.

<u>Key Conditions</u>	
	The completion of the transactions contemplated by each of the Northern Stalking Horse Agreements is subject to a number of conditions for the benefit of the Buyer including
	(i) The SSP shall have been approved by the Court by no later than April 4, 2018;

- (ii) The Court shall have granted an approval and vesting order on or before June 28, 2018; and
- (iii) No material adverse change shall have occurred.

11. In addition to the terms above, it should be noted that none of the Stalking Horse Agreements require any break up fee or expense reimbursement payable to Clairvest in the event that Clairvest is not the successful bidder under the SSP. The Stalking Horse Agreements therefore provide assurances to Discovery and its stakeholders as to the purchase and continuation of the subsidiaries' businesses, and this assurance has been obtained at no cost to Discovery.

THE SALE SOLICITATION PROCESS

12. Discovery, in consultation with the Monitor, has prepared a proposed SSP process for the marketing and sale of the TA Shares, GSH Shares, ATL Shares and DMS Shares (and other assets contemplated by the Stalking Horse Agreements). Given the relationship between Discovery and Clairvest, including Clairvest's role as stalking horse bidder and DIP Lender, and the fact that certain principals and employees of Clairvest are directors of Discovery, it is proposed that the SSP will be overseen, conducted and run by the Monitor. Further, the terms of the SSP provide that Clairvest is not entitled to any information regarding the SSP that is not also provided to other Qualified Bidders. The proposed order approving the SSP also provides that Discovery and its representatives shall not communicate any information regarding the SSP to Clairvest. These protections along with the running of the SSP by the Monitor will ensure that the processes set out therein are conducted fairly and impartially. A copy of the proposed SSP is attached hereto as **Exhibit "E"**.

13. A summary of the proposed sale processes contemplated by the SSP are set out more fully in the Monitor's First Report and therefore not repeated herein. Briefly,

- (a) The SSP provides for a solicitation period during which the Monitor (in consultation with Discovery) will solicit interest in the various transactions both through a press release as well as direct solicitation of potential bidders;
- (b) The Monitor has prepared a list of financial parties who may be interested in the transaction contemplated by the Top Aces Stalking Horse Agreement and a list of

financial and strategic parties who may be interested in one or more of the transactions contemplated by the Northern Stalking Horse Agreements;


- (c) Discovery, the Non-Applicant Subsidiaries, TA Holdings and Top Aces Inc. will all provide any cooperation and assistance to the Monitor as the Monitor may require;
- (d) Interested parties who return executed confidentiality agreements and applicable acknowledgements will be given access to further due diligence information, including confidential information memoranda, access to one or more data rooms and meeting with management;
- (e) All communications with any interested parties (including Clairvest in its role as stalking horse bidder) will be made by the Monitor and no direct communication will be made with Discovery (absent consent or direction of the Monitor);
- (f) Bidders shall be required to submit bids for the transactions in which they are interested by a specified bid deadline (set out below). All bids must be in the forms provided for in the data room (namely, the forms of the Stalking Horse Agreements), include blacklines to the form provided and must meet the specified “bid criteria”;
- (g) To the extent that any additional qualified bids (in addition to the Stalking Horse Agreements) are received by the applicable bid deadline, then the Monitor may conduct one or more auctions with respect to the applicable transaction;
- (h) Upon selection of the successful bid (the “**Accepted Bids**”) for each transaction (either through auction or as a result of no additional qualified bids being submitted), Discovery will file one or more motions seeking approval of each Accepted Bid; and
- (i) The applicable milestones contemplated by the SSP or the Stalking Horse Agreements are set out below – the Monitor has discretion to amend all applicable milestones as provided for in the SSP:

Milestone	Deadline (Top Aces SSP)	Deadline (GSH SSP)	Deadline (ATL SSP)	Deadline (DMS SSP)
Commencement SSP	April 4, 2018	April 4, 2018	April 4, 2018	April 4, 2018
Bid Deadline	May 21, 2018	June 4, 2018	June 4, 2018	June 4, 2018
Auction	May 31, 2018	June 14, 2018	June 14, 2018	June 14, 2018
Court Approval (not later than)	June 14, 2018	June 30, 2018	June 30, 2018	June 30, 2018
Closing Date Deadline (not later than)	July 31, 2018	July 31, 2018	July 31, 2018	July 31, 2018

STAY EXTENSION

14. In connection with the above, Discovery is seeking an extension of the Stay Period (as defined in the Initial Order) to and including June 29, 2018 (which date has been chosen based on the expected return to court prior to such time for approval of one or more transactions). I believe that Discovery has been and continues to act in good faith and with due diligence in the conduct of its CCAA proceedings. The cash flow filed as part of my Initial Affidavit included a cash flow that covers the proposed extension period. I understand that the Monitor will be providing a comparison of budget to actual results for the period between March 19, 2018 and March 28, 2018. The extension of the Stay Period is necessary while the Monitor conducts the SSP and auction process.

SWORN BEFORE ME at the City of
Toronto, in the Province of Ontario, this 28th
day of March, 2018.



Commissioner for taking affidavits



PAUL BERNARDS

TAB A

This is Exhibit "A" referred to in the
affidavit of Paul Bernards
sworn before me at Toronto
this 28 day of March 2018
A Commissioner for taking Affidavits for Ontario

ASSET PURCHASE AGREEMENT (GREAT SLAVE HELICOPTER)

DISCOVERY AIR INC.

as Seller

- and -

10671541 CANADA INC.

as Buyer

March 21, 2018

TABLE OF CONTENTS

ARTICLE 1 INTERPRETATION	2
1.1 Definitions.....	2
1.2 Schedules	8
1.3 Statutes.....	8
1.4 Headings and Table of Contents	8
1.5 Gender and Number	8
1.6 Currency.....	9
1.7 Invalidity of Provisions.....	9
1.8 Entire Agreement.....	9
1.9 Waiver, Amendment.....	9
1.10 Governing Law; Jurisdiction and Venue	9
 ARTICLE 2 PURCHASE AND SALE.....	 10
2.1 Agreement to Purchase and Sell Purchased Assets	10
2.2 Assumption and/or Satisfaction of Liabilities.....	11
2.3 Assignment of Purchased Assets	11
2.4 Excluded Obligations.....	12
2.5 “As is, Where Is”	13
 ARTICLE 3 PURCHASE PRICE AND RELATED MATTERS	 13
3.1 Purchase Price.....	13
3.2 Purchase Price Allocation Among Purchased Assets	13
3.3 Purchase Price Allocation Between Purchase Price Components	14
 ARTICLE 4 REPRESENTATIONS AND WARRANTIES BY THE SELLER	 14
4.1 Existence	14
4.2 Recitals.....	14
4.3 Due Authorization and Enforceability of Obligations	14
4.4 Right to Sell, and Title to, Purchased Assets.....	14
4.5 GSH Shares.....	15
4.6 Absence of Conflicts.....	15
4.7 Approvals and Consents	15
4.8 Residence of the Seller.....	15
4.9 HST Registration	15
4.10 Brokers.....	15
 ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF THE BUYER	 16
5.1 Existence	16
5.2 Recitals.....	16
5.3 Due Authorization and Enforceability of Obligations	16
5.4 Absence of Conflicts.....	16
5.5 Approvals and Consents	17
5.6 Residence of the Buyer	17
5.7 HST Registration	17

5.8	<i>Investment Canada Act</i>	17
5.9	No Additional Due Diligence	17
5.10	Brokers.....	17
ARTICLE 6 CONDITIONS.....		18
6.1	Conditions for the Benefit of the Buyer and the Seller.....	18
6.2	Conditions for the Benefit of the Buyer.....	18
6.3	Conditions for the Benefit of the Seller	20
ARTICLE 7 ADDITIONAL AGREEMENTS OF THE PARTIES.....		20
7.1	Access to Information	20
7.2	Covenant Regarding Confidential Information	21
7.3	Further Assurances.....	21
7.4	Tax Matters	21
7.5	Fees and Expenses	22
7.6	Transition Services.....	22
ARTICLE 8 COURT ORDERS.....		22
8.1	Court Orders.....	22
ARTICLE 9 TERMINATION		23
9.1	Termination.....	23
9.2	Effect of Termination.....	24
ARTICLE 10 CLOSING		24
10.1	Location and Time of Closing	24
10.2	Closing Deliveries.....	24
10.3	Monitor's Certificate.....	26
ARTICLE 11 GENERAL MATTERS		26
11.1	Confidentiality	26
11.2	Public Notices	27
11.3	Survival.....	27
11.4	Non-Recourse	28
11.5	Assignment; Binding Effect.....	28
11.6	Notices	28
11.7	Counterparts; Facsimile Signatures	30

ASSET PURCHASE AGREEMENT

THIS AGREEMENT is made as of March 21, 2018

B E T W E E N:

DISCOVERY AIR INC., a corporation incorporated under the laws of the Province of Ontario, and continued under the laws of Canada

(the “**Seller**”)

- and -

10671541 CANADA INC., a corporation existing under the laws of Canada

(the “**Buyer**”)

RECITALS:

- A. The Seller, through its subsidiaries, provides specialty aviation services to governments, airlines, and natural resource and other business customers, operating across Canada and in select locations internationally, including the United States, Bolivia, Australia, and Chile (together with any other business in which the Seller is engaged on the date hereof, the “**Business**”).
- B. The Seller legally and beneficially owns, as at the date hereof: (i) 157,891,795 issued and outstanding Class A common shares; (ii) 1,111 issued and outstanding Class D common shares; (iii) 40,000,000 issued and outstanding Class E common shares; (iv) 7,624 issued and outstanding Class F Preferred shares; (v) 11,072 issued and outstanding Class G Preferred shares; and (vi) 14,400 issued and outstanding Class H Preferred shares, in the capital of Great Slave Helicopters Ltd. (“**GSH**”), as well as certain other property, assets and undertaking that are used in connection with the business conducted by GSH (the “**GSH Business**”).
- C. On March 21, 2018, the Seller commenced proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”), and an initial order (the “**Initial CCAA Order**”) was granted by the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), pursuant to which, *inter alia*, KSV Kofman Inc. was appointed as the monitor of the Seller (in such capacity, the “**Monitor**”).
- D. As at January 31, 2018, the Seller is indebted to CEP IV Co-Investment Limited Partnership, Clairvest Equity Partners IV Limited Partnership, Clairvest Equity Partners IV-A Limited Partnership, DA Holdings Limited Partnership and G. John Krediet (the “**Clairvest Convertible Debentureholders**”) pursuant to the Clairvest Convertible Debentures (as defined herein) in the aggregate principal amount of \$72,700,000 (such amount, together with all outstanding interest, fees and costs incurred relating thereto, at any given time, the “**Clairvest Secured Indebtedness Amount**”), which indebtedness is secured by the Clairvest Security Documents (as defined herein).

- 2 -

- E. Pursuant to the DIP Credit Agreement (as defined herein), CEP IV Co-Investment Limited Partnership, an affiliate of Clairvest, has agreed to provide a secured super-priority debtor-in-possession non-revolving credit facility of up to \$12,600,000 (the indebtedness thereunder, including outstanding interest, fees and costs incurred relating thereto, at any given time, the “**Clairvest DIP Indebtedness Amount**”).
- F. The Buyer and the Clairvest Convertible Debentureholders are affiliates.
- G. The Seller wishes to sell, and the Buyer wishes to purchase as a “stalking horse bidder” pursuant to the Sale Procedures and the Sales Procedures Order (each, as defined herein), the Purchased Assets (as defined herein), subject to the terms and conditions of this Agreement.
- H. The Seller has determined that it is in the best interests of its stakeholders to enter into this Agreement, subject to the terms and conditions herein, and to consummate the transactions contemplated herein on the terms set forth herein.

NOW THEREFORE in consideration of the mutual covenants and agreements contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which are acknowledged), the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement,

- (a) “**affiliate**” of any Person means, at the time such determination is being made, any other Person controlling, controlled by or under common control with such first Person, in each case, whether directly or indirectly through one or more intermediaries, and “control” and any derivation thereof means the control by one Person of another Person in accordance with the following: a Person (“A”) controls another Person (“B”) where A has the power to determine the management and policies of B by contract or status (for example the status of A being the general partner of B) or by virtue of beneficial ownership of a majority of the voting interests in B; and for certainty and without limitation, if A owns shares to which are attached more than 50% of the votes permitted to be cast in the election of directors (or other Persons performing a similar role) of B, then A controls B for this purpose;
- (b) “**Agreement**” means this Asset Purchase Agreement and all attached Schedules, in each case as the same may be supplemented, amended, restated or replaced from time to time, and the expressions “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions refer to this Agreement and all attached Schedules and unless otherwise indicated, references to Articles, Sections and Schedules are to Articles, Sections and Schedules in this Agreement;

- 3 -

- (c) “**Applicable Law**” means any domestic or foreign statute, law (including the common law), ordinance, rule, regulation, restriction, by-law (zoning or otherwise), order, or any consent, exemption, approval or licence of any Governmental Authority, that applies in whole or in part to the Transaction, the Seller, the Buyer, the Business or any of the Purchased Assets;
- (d) “**Approval and Vesting Order**” means the form of Court order attached as Schedule “1.1(d)” hereto, with any amendments thereto to be acceptable to each of Seller and Buyer, each acting reasonably;
- (e) “**Assigned Contracts**” has the meaning given to such term in Section 2.1(c); and
- (f) “**Assumed Liabilities**” has the meaning given to such term in Section 2.2;
- (g) “**Business**” has the meaning given to such term in Recital A;
- (h) “**Business Day**” means any day, other than a Saturday or Sunday, on which the principal commercial banks in Toronto are open for commercial banking business during normal banking hours;
- (i) “**Buyer**” has the meaning given to such term in the preamble to this Agreement;
- (j) “**CCAA**” has the meaning given to such term in Recital C;
- (k) “**CCAA Proceedings**” has the meaning given to such term in Recital C;
- (l) “**Clairvest Convertible Debentureholders**” has the meaning given to such term in Recital D;
- (m) “**Clairvest Convertible Debentures**” means the convertible debentures issued by the Seller on September 23, 2011, and administered by Clairvest GP;
- (n) “**Clairvest Convertible Debentures Indebtedness Assumption Amount**” means the portion of the Clairvest Secured Indebtedness Amount that is to be assumed by the Buyer in partial satisfaction of the Purchase Price, which amount shall be determined pursuant to Section 3.3;
- (o) “**Clairvest DIP Indebtedness Amount**” has the meaning given to such term in Recital E;
- (p) “**Clairvest DIP Indebtedness Assumption Amount**” means the portion of the Clairvest DIP Indebtedness Amount that is to be assumed by the Buyer in partial satisfaction of the Purchase Price, which amount shall be determined pursuant to Section 3.3;
- (q) “**Clairvest GP**” means Clairvest GP Manageco Inc.;

- 4 -

- (r) “**Clairvest Secured Indebtedness Amount**” has the meaning given to such term in Recital D;
- (s) “**Clairvest Security Documents**” means all documents, contracts and agreements pursuant to which Encumbrances have been created or granted to or for the benefit of the debentureholders under the Clairvest Convertible Debentures and/or Clairvest GP to secure payment and performance of the Seller’s obligations to the debentureholders under the Clairvest Convertible Debentures and/or Clairvest GP (including payment of the Clairvest Secured Indebtedness Amount), including debentures, general security agreements, pledges of equity, and aircraft-specific security, charging all or certain present and after-acquired assets, personal property and undertakings of the Seller;
- (t) “**Closing**” means the completion of the Transaction at the Closing Time;
- (u) “**Closing Date**” means July 31, 2018, or such later date as the Parties may agree in writing, acting reasonably;
- (v) “**Closing Documents**” means all contracts, agreements and instruments required by this Agreement to be delivered at or before the Closing;
- (w) “**Closing Time**” means 10:00 a.m. (Toronto time) on the Closing Date or such other time on the Closing Date as the Parties agree in writing that the Closing Time shall take place;
- (x) “**Confidential Information**” means non-public, confidential, personal or proprietary information which is furnished to a Party by the other Party, including, without limitation, information about identifiable individuals, any information relating to a Party and its Affiliates or any customer or supplier of a Party; provided that “Confidential Information” does not include information that:
 - (i) is or becomes generally available to the public other than as a result of disclosure in breach of this Agreement;
 - (ii) is received by a Party from a third party that obtained it lawfully and was under no duty of confidentiality;
 - (iii) was lawfully in a Party’s possession prior to disclosure thereof by the other Party; or
 - (iv) was independently developed by a Party without use of, or reference to, the other Party’s Confidential Information;
- (y) “**Contracts**” means contracts, licences, permits, leases, agreements, commitments, entitlements or engagements;
- (z) “**Court**” has the meaning given to such term in Recital C;

- 5 -

- (aa) “**Court Approval**” means the issuance of the Approval and Vesting Order by the Court;
- (bb) “**Court Orders**” has the meaning given to such term in Section 8.1(c);
- (cc) “**DIP Credit Agreement**” means the debtor-in-possession loan term sheet between CEP IV Co-Investment Limited Partnership and the Seller;
- (dd) “**Encumbrance**” means any security interest, lien, prior claim, charge, hypothec, hypothecation, reservation of ownership, pledge, encumbrance, mortgage or adverse claim of any nature or kind;
- (ee) “**Excluded Liabilities**” has the meaning given to such term in Section 2.2;
- (ff) “**Final**” with respect to any order of any court of competent jurisdiction, means that leave to appeal or reconsideration shall not have been sought in respect of such order and that such order shall not have been stayed, appealed, varied (except with the consent of the Buyer and Seller) or vacated, and all time periods within which leave to appeal and reconsideration could at law be sought shall have expired and all time periods within which such order could at law be appealed shall have expired;
- (gg) “**Governmental Authority**” means any domestic or foreign government, regulatory authority, governmental department, agency, ministry, commission, bureau, court (including the Court), tribunal, judicial body, arbitral body, commission, stock exchange, board or other law, rule or regulation-making entity:
 - (i) having jurisdiction over the Seller, the Buyer, the Transaction or the Purchased Assets on behalf of any country, province, state, municipality or other geographical or political subdivision thereof; or
 - (ii) exercising or entitled to exercise any administrative, judicial, legislative, regulatory or Taxing Authority or power;
- (hh) “**Governmental Authorizations**” means the permits, licences, approvals and authorizations, orders, certificates, consents, directives, notices, licences, permits, variances, registrations or other rights issued to or held or required by the Seller relating to the Business or any of the Purchased Assets by or from any Governmental Authority;
- (ii) “**GSH**” has the meaning given to such term in Recital B;
- (jj) “**GSH Business**” has the meaning given to such term in Recital B;
- (kk) “**GSH Shares**” has the meaning given to such term in Section 2.1(b);
- (ll) “**HST**” means the sales tax payable under the HST Legislation;

- 6 -

- (mm) “**HST Legislation**” means Part IX of the *Excise Tax Act* (Canada);
- (nn) “**IFRS**” means International Financial Reporting Standards;
- (oo) “**including**” and “**includes**” shall be interpreted on an inclusive basis and shall be deemed to be followed by the words “without limitation”;
- (pp) “**Initial CCAA Order**” has the meaning given to such term in Recital C;
- (qq) “**Material Adverse Change**” or “**Material Adverse Effect**” means any change, development, effect, event, circumstance, fact or occurrence that, individually or in the aggregate with such other changes, developments, effects, events, circumstances, facts or occurrences, is, or would reasonably be expected to be, material and adverse to the business, properties, assets, liabilities (contingent or otherwise), condition (financial or otherwise), operations or results of operations of the Seller, the Business, the GSH Business and/or the Purchased Assets, or that prevents or materially delays or would reasonably be expected to prevent or materially delay the Seller from Closing; other than any change, development, effect, event, circumstance, fact or occurrence arising out of, attributable to or resulting from: (A) any action expressly required or permitted by this Agreement or relating to the Seller’s current financial condition, including the CCAA Proceedings; (B) general political, economic or financial conditions in Canada or elsewhere in the world; (C) any change generally affecting the industries in which the Business and/or the GSH Business is conducted (including changes in prices, costs of materials, labor, or shipping, general market prices, or regulatory changes in any such industry); (D) acts of terrorism or war (whether or not declared); (E) any changes to existing Applicable Law (including the interpretation thereof); (F) any changes to IFRS or the adoption, implementation or proposal of any new accounting principles; (G) hurricanes, earthquakes, storms, floods or other natural disasters, epidemics, pandemics, outbreak or escalation of hostilities, the declaration of war, acts or terrorism, or acts of God; (H) any action consented to by the Buyer; (I) any failure by the Seller to meet any projections or estimates (including internal projections or estimates) of revenues, earnings, working capital or performance for any period or (J) material dispositions or change in financial circumstances from a sale under the Sale Procedures;
- (rr) “**Monitor**” has the meaning given to such term in Recital C;
- (ss) “**Monitor’s Certificate**” means the certificate filed with the Court by the Monitor certifying that the Monitor has received written confirmation, in form and substance satisfactory to the Monitor, from the Seller and the Buyer that: (i) all conditions to Closing set forth in Article 6 have been satisfied or waived; and (ii) the Buyer has paid, and the Seller has received, the Purchase Price;
- (tt) “**Parties**” means the Seller and the Buyer collectively, and “**Party**” means either the Seller or the Buyer, as applicable;

- (uu) **“Permitted Encumbrances”** means, with respect to the Purchased Assets:
- (i) Encumbrances imposed by Applicable Law that rank in priority as at the Closing Date to the Encumbrances created by or resulting from the Clairvest Security Documents, including, but not limited to: (i) any applicable Encumbrances in favour of mechanics, labourers, workmen, builders, contractors, suppliers of goods or services, or other similar Encumbrances incidental to construction, maintenance or repair operations; and (ii) any applicable purchase money security interests under applicable personal property security legislation; and
 - (ii) other than for any restrictions in respect of the Transaction, any transfer restrictions on the GSH Shares;
- (vv) **“Person”** means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority or other entity however designated or constituted;
- (ww) **“Purchase Price”** has the meaning given to such term in Section 3.1;
- (xx) **“Purchased Assets”** has the meaning given to such term in Section 2.1;
- (yy) **“Restricted Rights”** has the meaning given to such term in Section 2.3;
- (zz) **“Sale Procedures”** means the sale solicitation process scheduled to the Sale Procedures Order, with any amendments thereto to be acceptable to each of the Seller and the Buyer, each acting reasonably;
- (aaa) **“Sale Procedures Order”** means the form of Court order attached as Schedule “1.1(aaa)” hereto, with any amendments thereto to be acceptable to each of Seller and Buyer, each acting reasonably;
- (bbb) **“Seller”** has the meaning given to such term in the preamble to this Agreement;
- (ccc) **“Tax”** and **“Taxes”** means any and all:
- (i) taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Authority, including those with respect to goods and services, harmonized sales, transfer, land transfer, use, real or personal property, and registration fees; and
 - (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority on or in respect of amounts of the type described in clause (i) above or this clause (ii);

- 8 -

- (ddd) “**Tax Act**” means the *Income Tax Act* (Canada), as amended and any relevant legislation of a province imposing tax similar to the *Income Tax Act* (Canada);
- (eee) “**Taxing Authority**” means any Governmental Authority, domestic or foreign, having jurisdiction over the assessment, determination, collection, or other imposition of any Tax;
- (fff) “**Transaction**” means, collectively, the of sale and purchase of the Purchased Assets pursuant to this Agreement and all other transactions contemplated by this Agreement that are to occur contemporaneously with the sale and purchase of the Purchased Assets;
- (ggg) “**Transfer Taxes**” has the meaning given to such term in Section 7.4(c);
- (hhh) “**Transition Services**” has the meaning given to such term in Section 7.6; and
- (iii) “**Transition Services Agreements**” has the meaning given to such term in Section 7.6.

1.2 Schedules

The schedules to this Agreement are an integral part of this Agreement.

<u>Schedule</u>	<u>Description</u>
Schedule 1.1(d)	Form of Approval and Vesting Order
Schedule 1.1(aaa)	Sale Procedures Order
Schedule 2.1(c)	Assigned Contracts

1.3 Statutes

Unless specified otherwise, reference in this Agreement to a statute refers to that statute as it may be amended, or to any restated or successor legislation of comparable effect.

1.4 Headings and Table of Contents

The inclusion of headings and a table of contents in this Agreement is for convenience of reference only and shall not affect the construction or interpretation hereof.

1.5 Gender and Number

In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.

1.6 Currency

Except where otherwise expressly provided, all amounts in this Agreement are stated and shall be paid in Canadian dollars.

1.7 Invalidity of Provisions

Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof.

1.8 Entire Agreement

This Agreement and the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties and set out all the covenants, promises, warranties, representations, conditions and agreements between the Parties in connection with the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, pre-contractual or otherwise. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, whether oral or written, pre-contractual or otherwise, express, implied or collateral between the Parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement and any document required to be delivered pursuant to this Agreement.

1.9 Waiver, Amendment

Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless executed in writing by all Parties hereto. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

1.10 Governing Law; Jurisdiction and Venue

This Agreement, the rights and obligations of the Parties under this Agreement, and any claim or controversy directly or indirectly based upon or arising out of this Agreement or the Transaction (whether based on contract, tort, or any other theory), including all matters of construction, validity and performance, shall in all respects be governed by, and interpreted, construed and determined in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein, without regard to the conflicts of law principles thereof. The Parties consent to the exclusive jurisdiction and venue of the Court prior to a Final order of the Court terminating the CCAA Proceedings and thereafter to the Courts of Ontario for the resolution of any disputes arising under this Agreement. Each Party agrees that service of process on such Party as provided in Section 11.6 shall be deemed effective service of process on such Party.

- 10 -

ARTICLE 2 PURCHASE AND SALE

2.1 Agreement to Purchase and Sell Purchased Assets

Upon and subject to the terms and conditions of this Agreement, at the Closing the Seller shall sell, assign, transfer, convey and deliver, and the Buyer shall purchase, free and clear of all Encumbrances other than the Permitted Encumbrances, all of the Seller's right, title and interest in, to and under, or relating to, the assets, property and undertaking, owned by the Seller and used solely in connection with or for the benefit of GSH and the GSH Business (collectively the "**Purchased Assets**"), including, without limitation, the following property, assets and undertaking:

- (a) *GSH Shares* – (i) 157,891,795 issued and outstanding Class A common shares; (ii) 1,111 issued and outstanding Class D common shares; (iii) 40,000,000 issued and outstanding Class E common shares; (iv) 7,624 issued and outstanding Class F Preferred shares; (v) 11,072 issued and outstanding Class G Preferred shares; and (vi) 14,400 issued and outstanding Class H Preferred shares issued and outstanding common shares in the capital of GSH (collectively, the "**GSH Shares**"), together with any share certificates, powers of attorney, endorsements, rights to purchase or otherwise acquire or obtain any additional shares of, or equity in, GSH, including without limitation, any and all conversion rights in respect thereof, and transfer powers evidencing or in respect of the GSH Shares;
- (b) *Books and Records* – all original books and records, minute books, corporate seals, Tax records, taxpayer and other identification numbers and other documents relating thereto, and records otherwise relating to the organization, maintenance and existence of GSH as a Person or otherwise relating to the GSH Business or any administrative functions in respect thereof (including, without limitation, all books and records relating to any accounting, finance, payroll, human resource, and other administrative functions), and whether in hardcopy or electronic form;
- (c) *Assigned Contracts* – each of the Contracts relating to the GSH Business set out on Schedule 2.1(c) hereto, as such schedule may be amended by Buyer in its sole discretion prior to Closing to add or remove Contracts (provided, for greater certainty, that there shall be no change in the Purchase Price resulting from any such additions or deletions to the schedule) (the "**Assigned Contracts**");
- (d) *Intercompany and Certain Other Claims* – any and all debts, liabilities, obligations, causes of action and other claims that Seller may have against GSH and the officers and directors of GSH, whether presently existing or contingent, or otherwise based on facts in existence and knowable to the Seller as of the Closing Date; and
- (e) *Other Assets* – any other property, assets and undertaking of the Seller that are specifically identified by the Buyer on or before Closing and that relate solely to

- 11 -

the conduct of the GSH Business (provided, for greater certainty, that there shall be no further increase in the Purchase Price resulting therefrom).

2.2 Assumption and/or Satisfaction of Liabilities

The Buyer shall assume and/or establish terms with the applicable lenders in respect of the principal debts of the Seller as of the Closing Date, and shall pay, discharge and perform, as the case may be, from and after the Closing Date the following liabilities and obligations of the Seller (collectively, the “**Assumed Liabilities**”):

- (a) *Obligations under Assigned Contracts, etc.* – all liabilities and obligations (including any cure costs but excluding any post-filing costs, such post-filing costs to be paid by the Seller) under or in respect of the Assigned Contracts;
- (b) *Clairvest Convertible Debentures Indebtedness Assumption* – liabilities and obligations under the Clairvest Convertible Debentures equal to the Clairvest Convertible Debentures Indebtedness Assumption Amount;
- (c) *CIBC Indebtedness* – all liabilities and obligations arising from, or in relation to, the Amended and Restated Credit Agreement among, *inter alia*, the Seller, the Canadian Imperial Bank of Commerce and GSH, as a guarantor, dated May 26, 2015;
- (d) *Element Indebtedness* – all liabilities and obligations arising from, or in relation to, an Aircraft Loan Agreement, dated as of January 31, 2014, as amended, and an Aircraft Loan Agreement, dated of March 31, 2014, each among, *inter alia*, the Seller, Element Financial Corporation and GSH, as a guarantor;
- (e) *RoyNat Indebtedness* – all liabilities and obligations arising from, or in relation to, an Aircraft Loan Agreement, dated as of March 26, 2012, as amended, among, *inter alia*, the Seller, Roynat Inc. and GSH;
- (f) *Intercompany Obligations* – all liabilities and obligations arising from, or in relation to, intercompany transactions between the Seller and GSH; and
- (g) *Permitted Encumbrances* – all liabilities and obligations arising from, or in relation to, the Permitted Encumbrances,

but the Buyer shall not be liable for, or assume, any other obligations or liabilities of the Seller (all such other obligations or liabilities, the “**Excluded Liabilities**”).

2.3 Assignment of Purchased Assets

The Seller and the Buyer shall use their reasonable commercial efforts to obtain prior to the Closing Date any necessary consents or approvals in order to assign the Assigned Contracts. To the extent assignable and transferable to the Buyer, all Assigned Contracts shall be assigned by the Seller to the Buyer on Closing.

- 12 -

Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an agreement to assign or transfer any Purchased Asset or any right thereunder if an attempted assignment or transfer of such Purchased Asset or right thereunder without the consent of a third Person would constitute a breach thereunder (“**Restricted Rights**”), unless: (i) such consent is obtained; or (ii) the assignment has been ordered by the Court. The Seller shall hold any such Restricted Rights in trust for the Buyer until such time as consent and/or approval has been obtained, to the extent applicable. If a consent to transferring the Restricted Rights to the Buyer is not obtained, or such assignment is not attainable, the Seller and the Buyer will cooperate and use their respective commercially reasonable efforts to implement a mutually agreeable arrangement pursuant to which the Buyer will obtain the benefits and assume the liabilities and obligations related to such Restricted Rights in accordance with this Agreement including, at the election and expense of the Buyer, applying to the Court before or after Closing for an order compelling the assignment and for related relief, including, without limitation, pursuant to Section 11.3 of the CCAA.

The Seller and the Buyer shall use their reasonable commercial efforts to obtain prior to the Closing Date any necessary consents or approvals arising from, or in relation to, any change of control provisions in Contracts of GSH. If any such consent or approval is not obtained, or any such consent or approval is not attainable, the Seller and the Buyer will cooperate and use their respective commercially reasonable efforts to implement a mutually agreeable arrangement pursuant to which GSH will continue to enjoy the benefits of, and remain liable and obligated under, such Contracts of GSH, including, at the election and expense of the Buyer, applying to the Court before or after Closing for an order compelling, overriding, or obviating the need to obtain, any such approval or consent and for related relief.

In the event that the Transaction is subject to a consent requirement pursuant to any Contract of GSH so as not to be in breach of, or to otherwise permit the termination of, such Contract, the Seller and the Buyer shall use their reasonable commercial efforts to obtain any such consent on or before Closing.

To the extent that the Seller would incur any out-of-pocket costs and expenses after the Closing Time in order to comply with a specific obligation under this Section 2.3, the Seller shall not have to incur such out-of-pocket costs and expenses to comply with such obligation unless the Buyer shall have provided the Seller with the funds necessary to pay such out-of-pocket costs and expenses.

Notwithstanding the foregoing: (i) nothing in this Section 2.3 shall require the Seller to renew any Restricted Rights once they have expired; and (ii) any efforts required of the Seller pursuant to this Section 2.3 shall be strictly on an interim basis and in no event be required to continue for more than 120 days following the Closing Date.

2.4 Excluded Obligations

Other than the Assumed Liabilities, the Buyer shall not assume and shall not be liable, directly or indirectly, or otherwise responsible for any debts, liabilities or other obligations of the Seller to any Person.

2.5 “As is, Where Is”

The Buyer acknowledges and agrees that all of the Purchased Assets are being purchased on an “as is, where is” basis as they shall exist at Closing. Unless and solely to the extent expressly set forth in this Agreement, no representation, warranty or covenant is expressed or implied by the Seller, including any warranties as to title, encumbrances, description, merchantability or fitness for a particular purpose, environmental compliance, condition, quantity or quality, or in respect of any other matter or thing whatsoever concerning the Business, the GSH Business and/or the Purchased Assets or the right of the Seller to sell or assign the same. Without limiting the generality of the foregoing, any and all conditions, warranties, or representations expressed or implied pursuant to the *Sale of Goods Act* (Ontario), as amended, or similar legislation do not apply hereto and have been waived by the Buyer. This Section 2.5 shall not merge on Closing and is deemed incorporated by reference into all Closing Documents and deliveries.

ARTICLE 3 PURCHASE PRICE AND RELATED MATTERS

3.1 Purchase Price

The purchase price payable by the Buyer to the Seller for the Purchased Assets (the “Purchase Price”) shall be: (i) the amount of the Clairvest DIP Indebtedness Assumption Amount; plus (ii) the Clairvest Convertible Debentures Indebtedness Assumption Amount, which amounts, in the aggregate, total \$12,381,000; plus (iii) the amount of the Assumed Liabilities (less each of the Clairvest DIP Indebtedness Assumption Amount and the Clairvest Convertible Debentures Indebtedness Assumption Amount). The Buyer shall satisfy the Purchase Price at the Closing Time by: (i) assuming liabilities and obligations under the DIP Credit Agreement equal to the Clairvest DIP Indebtedness Assumption Amount; (ii) assuming liabilities and obligations under the Clairvest Convertible Debentures equal to the Clairvest Convertible Debentures Indebtedness Assumption Amount; and (iii) assuming and/or providing for the satisfaction of the Assumed Liabilities (less each of the Clairvest DIP Indebtedness Assumption Amount and the Clairvest Convertible Debentures Indebtedness Assumption Amount).

On or before Closing, the Buyer shall have the right, but not the obligation, to assume additional Clairvest DIP Indebtedness Amounts and/or Clairvest Secured Indebtedness Amounts that are not otherwise assumed by the Buyer pursuant to the preceding paragraph.

3.2 Purchase Price Allocation Among Purchased Assets

The Purchase Price shall be allocated among each class of Purchased Assets as agreed by the Parties on or before Closing, acting reasonably. Such allocation shall be binding and the Buyer and the Seller shall each report the purchase and sale of the Purchased Assets for all tax purposes in a manner consistent with such allocation, and will complete and file all tax returns, designations, elections and filings that are necessary or desirable under the Tax Act to give effect to such allocations and shall not take any position or action inconsistent with such allocation.

3.3 Purchase Price Allocation Between Purchase Price Components

The Purchase Price (other than the Assumed Liabilities component described in Section 3.1(iii)) shall be allocated between the Clairvest Convertible Debentures Indebtedness Assumption Amount and the Clairvest DIP Indebtedness Assumption Amount, as determined by the Buyer, in its sole discretion, on or before Closing. Such allocation shall be binding and the Buyer and the Seller shall each report the purchase and sale of the Purchased Assets for all tax purposes in a manner consistent with such allocation, and will complete and file all tax returns, designations, elections and filings that are necessary or desirable under the Tax Act to give effect to such allocations and shall not take any position or action inconsistent with such allocation.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES BY THE SELLER

The Seller represents and warrants to the Buyer and acknowledges that the Buyer is relying upon the following representations and warranties in connection with its purchase of the Purchased Assets the matters set out below:

4.1 Existence

The Seller is duly incorporated, organized and existing under the laws of its jurisdiction of organization. GSH is duly organized and validly existing under the laws of its jurisdiction of organization.

4.2 Recitals

The Recitals hereto are true and correct as of the date of this Agreement.

4.3 Due Authorization and Enforceability of Obligations

Subject to Court Approval being obtained, the Seller has all necessary power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement. The execution and delivery of each of this Agreement, the Closing Documents and the consummation of the Transaction has been duly authorized by all necessary corporate action of the Seller. This Agreement has been, and at the Closing Time the Closing Documents will be, duly executed and delivered by the Seller and constitutes a valid and binding obligation of the Seller enforceable against it in accordance with its terms, as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization and similar laws affecting creditors generally and by general principles of equity.

4.4 Right to Sell, and Title to, Purchased Assets

The Seller is the registered and/or beneficial owner of the Purchased Assets, with good and marketable title thereto. At the Closing, the Seller shall convey to the Buyer all of the Seller's right, title and interest in and to the Purchased Assets free and clear of all Encumbrances except for Permitted Encumbrances, except with respect to any Assigned Contracts for which consent of a third Person is required for an assignment of such Contract and has not been obtained at the Closing Time.

4.5 GSH Shares

Other than the Clairvest Convertible Debentureholders, the Canadian Imperial Bank of Commerce, Element Financial Corporation and RoyNat Inc., the GSH Shares have not been pledged by the Seller to any Person. The Seller does not hold and has not at any time granted to any Person: (i) any presently outstanding rights or privileges to acquire any unissued equity of GSH; (ii) any right to purchase or otherwise acquire all or any part of the GSH Shares; or (iii) any presently outstanding options, warrants, stock plans or other instruments convertible into equity or other securities of GSH or pursuant to which any Person may acquire equity or other securities of GSH.

4.6 Absence of Conflicts

Except for Court Approval, the Seller is not a party to, bound or affected by or subject to any provision in its articles, by-laws or other constituting documents or Applicable Laws or Governmental Authorizations that would be violated, breached by, or under which any default would occur or with notice or the passage of time would be created as a result of the execution and delivery of, or the performance of obligations under, this Agreement or any Closing Documents to be entered into or delivered under the terms of this Agreement, except for any violations, breaches or defaults or any Applicable Laws or Governmental Authorizations that would not have a Material Adverse Effect on the conduct of the Business or on the ability of the Seller to consummate the Transaction.

4.7 Approvals and Consents

Except for: (a) Court Approval; (b) any consent required in connection with the assignment of any Assigned Contract or any Purchased Asset; and (c) any consent or approval arising from, or in relation to, any change of control provisions in Contracts of GSH, no authorization, consent or approval of, or filing with or notice to, any Governmental Authority or any other Person is required in connection with the execution, delivery or performance of this Agreement by the Seller and each of the Closing Documents to be executed and delivered by the Seller hereunder or the purchase of any of the Purchased Assets hereunder.

4.8 Residence of the Seller

The Seller is not a non-resident of Canada within the meaning of section 116 of the Tax Act.

4.9 HST Registration

The Seller is registered for purposes of HST Legislation and will provide its registration numbers to the Buyer.

4.10 Brokers

No broker, finder or investment banker is entitled to any brokerage commission, finder's fee or other similar payment in connection with the Transaction based upon arrangement made by or on behalf of the Seller.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES OF THE BUYER

The Buyer represents and warrants to the Seller as follows, and acknowledges that the Seller is relying upon the following representations and warranties in connection with its sale of the Purchased Assets:

5.1 Existence

The Buyer is duly organized and validly existing under the laws of its jurisdiction of organization.

5.2 Recitals

The Recitals hereto are true and correct as of the date of this Agreement.

5.3 Due Authorization and Enforceability of Obligations

The Buyer has all necessary power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement. The execution and delivery of this Agreement and the consummation of the Transaction have been duly authorized by all necessary action of the Buyer. This Agreement has been duly executed and delivered by the Buyer and constitutes a valid and binding obligation of the Buyer enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization and similar laws affecting creditors generally and by general principles of equity. At the Closing Time, the Closing Documents required by this Agreement to be delivered by the Buyer will be duly executed and delivered by the Buyer and will constitute a valid and binding obligation of the Buyer enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization and similar laws affecting creditors generally and by general principles of equity.

5.4 Absence of Conflicts

The Buyer is not a party to, bound or affected by or subject to any provision in its articles, by-laws or other constating documents or Applicable Laws or governmental authorizations, approvals, franchises, orders, certificates, consents, directives, notices, licences, permits, variances, registrations or other rights issued, granted or given by or from any Governmental Authority that would be violated, breached by, or under which any default would occur or with notice or the passage of time would, be created as a result of the execution and delivery of, or the performance of obligations under, this Agreement or any other agreement or document to be entered into or delivered under the terms of this Agreement, except for any violations, breaches or defaults or any Applicable Laws or any governmental authorizations, approvals, orders, certificates, consents, directives, notices, licences, permits, variances, registrations or other rights issued, granted or given by or from any Governmental Authority, that would not have a material and adverse effect on the ability of the Buyer to consummate the transactions hereunder.

5.5 Approvals and Consents

Except for: (a) Court Approval; (b) any consent required in connection with the assignment of any Assigned Contract or any Purchased Asset; and (c) any consent or approval arising from, or in relation to, any change of control provisions in Contracts of GSH, no authorization, consent or approval of, or filing with or notice to, any Governmental Authority or any other Person is required in connection with the execution, delivery or performance of this Agreement by the Buyer and each of the Closing Documents to be executed and delivered by the Buyer hereunder or the purchase of any of the Purchased Assets hereunder.

5.6 Residence of the Buyer

The Buyer is not a non-resident of Canada within the meaning of section 116 of the Tax Act.

5.7 HST Registration

The Buyer, or its assignee(s) acquiring the Purchased Assets, is, or at the Closing Time will be, registered for purposes of HST Legislation and will provide its registration numbers to the Seller.

5.8 *Investment Canada Act*

The Buyer is (a) either a “Canadian” or “WTO investor” within the meaning of the *Investment Canada Act*; and (b) is not a “state-owned enterprise” within the meaning of the *Investment Canada Act*.

5.9 No Additional Due Diligence

The Buyer acknowledges and agrees that: (a) it has had an opportunity to conduct any and all due diligence regarding the Purchased Assets and the Business prior to the execution of this Agreement; (b) it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Purchased Assets and/or the Business; (c) it is not relying upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied, (by operation of law or otherwise), regarding the Purchased Assets or the Business or the completeness of any information provided in connection therewith, except as expressly stated in this Agreement; and (d) the obligations of the Buyer under this Agreement are not conditional upon any additional due diligence.

5.10 Brokers

No broker, finder or investment banker is entitled to any brokerage commission, finder’s fee or other similar payment in connection with the Transaction based upon arrangement made by or on behalf of the Buyer.

ARTICLE 6 CONDITIONS

6.1 Conditions for the Benefit of the Buyer and the Seller

The respective obligations of the Buyer and of the Seller to consummate the Transaction are subject to the satisfaction of, or compliance with, at or prior to the Closing Time, each of the following conditions for their mutual benefit:

- (a) no provision of any Applicable Law and no judgment, injunction, order or decree that prohibits the consummation of the Transaction pursuant to this Agreement shall have been issued and in effect;
- (b) no motion, action or proceedings shall be pending by or before a Governmental Authority to restrain or prohibit the completion of the Transaction;
- (c) the Sale Procedures Order shall have been issued and entered on or before April 4, 2018, or on or before such later date as the Parties agree to in writing, and shall be Final;
- (d) this Agreement is the Successful Bid (as defined in the Sale Procedures);
- (e) the Approval and Vesting Order shall have been issued and entered on or before June 28, 2018, or on or before such later date as the Parties agree to in writing, and shall be Final;
- (f) the Court shall not have permanently declined to grant the Approval and Vesting Order; and
- (g) the Buyer shall sign, and be bound by, the terms of all shareholders' agreements in respect of GSH.

If the conditions set out in this Section 6.1 are not satisfied, performed or mutually waived on or before the Closing Date, either Party shall have the option to terminate this Agreement upon written notice to the other Party.

6.2 Conditions for the Benefit of the Buyer

The obligation of the Buyer to consummate the Transaction is subject to the satisfaction of, or compliance with, or waiver by the Buyer of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Buyer):

- (a) the representations and warranties of the Seller set forth in this Agreement shall be true and correct at the Closing Time with the same force and effect as if made at and as of such time, except where any failure or failures of any such representations and warranties to be so true and correct would not, individually or in the aggregate, cause a Material Adverse Change (and, for this purpose, any

- 19 -

reference to “material”, “Material Adverse Change” or any other concept of materiality in such representations and warranties shall be ignored);

- (b) the covenants contained in this Agreement to be performed by the Seller at or prior to the Closing Time shall have been performed in all material respects as at the Closing Time;
- (c) after the date of this Agreement and before the Closing Time, there shall not have occurred any Material Adverse Change;
- (d) the Buyer shall have received on Closing a certificate confirming the satisfaction of the conditions contained in Sections 6.2(a) and 6.2(b), signed for and on behalf of the Seller without personal liability by an executive officer of the Seller or other Persons reasonably acceptable to the Buyer, in each case in form and substance reasonably satisfactory to the Buyer;
- (e) the Closing Documents, all other documents relating to the due authorization and completion of the Transaction and all actions and proceedings taken on or prior to the Closing in connection with the performance by the Seller of its obligations under this Agreement shall be satisfactory to the Buyer, acting reasonably, and the Buyer shall have received copies of all such documents and evidence that all such actions and proceedings have been taken as it may reasonably request in form and substance reasonably satisfactory to the Buyer;
- (f) the Purchased Assets shall be assigned and transferred to the Buyer free and clear of all Encumbrances other than Permitted Encumbrances in accordance with the Approval and Vesting Order, and the releases or discharges of all Encumbrances other than Permitted Encumbrances against the Purchased Assets, including any Court-ordered charges in the CCAA Proceedings, shall have been obtained in form and substance satisfactory to the Buyer, acting reasonably;
- (g) if, in its sole discretion, the Buyer has required the entry into one or more Transition Services Agreements, then all such Transition Services Agreements shall have been entered into among the Buyer, the Seller, GSH and the Seller’s other subsidiaries, or any combination thereof, each in form and substance acceptable to the Buyer, acting reasonably;
- (h) the Seller shall not have repudiated or terminated the Services Agreement made as of March 21, 2018, among the Seller and its subsidiaries, and shall not have ceased performing its obligations thereunder; and
- (i) since the date first written above, no Material Adverse Change shall have occurred.

Any condition in this Section 6.2 may be waived by the Buyer in whole or in part, without prejudice to its rights of termination in the event of non-fulfillment of any other condition in whole or in part. If any condition set out in this Section 6.2 is not satisfied, performed or waived

on or prior to the date specified therefor, the Buyer may elect on written notice to the Seller to terminate this Agreement.

6.3 Conditions for the Benefit of the Seller

The obligation of the Seller to consummate the Transaction is subject to the satisfaction of, or compliance with, or waiver where applicable, by the Seller of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Seller):

- (a) the representations and warranties of the Buyer set forth in this Agreement shall be true and correct in all material respects at the Closing Time with the same force and effect as if made at and as of such time;
- (b) the covenants contained in this Agreement to be performed by the Buyer at or prior to the Closing Time shall have been performed in all material respects as at the Closing Time;
- (c) the Seller shall have received on Closing a certificate confirming the satisfaction of the conditions contained in Sections 6.3(a) and 6.3(b) signed for and on behalf of the Buyer without personal liability by an executive officer of the Buyer or other persons reasonably acceptable to the Seller, in each case in form and substance reasonably satisfactory to the Seller; and
- (d) all other Closing Documents required pursuant to this Agreement to be delivered by the Buyer on Closing in form and substance reasonably satisfactory to the Seller.

Any condition in this Section 6.3 may be waived by the Seller in whole or in part, without prejudice to its rights of termination in the event of non-fulfillment of any other condition in whole or in part. If any condition set out in this Section 6.3.2 is not satisfied, performed or waived on or prior to the date specified therefor, the Seller may elect on written notice to the Buyer to terminate this Agreement.

ARTICLE 7 ADDITIONAL AGREEMENTS OF THE PARTIES

7.1 Access to Information

Until the Closing Time, and subject to the terms and conditions of the Sale Procedures and the Sale Procedures Order, the Seller shall give to the Buyer's personnel engaged in the Transaction and their accountants, advisers, consultants and representatives during normal business hours reasonable access to its premises and to all of the books and records relating to the Business and the Purchased Assets, and the Seller shall furnish them with all such information relating to the Business and the Purchased Assets as the Buyer may reasonably request in connection with the Transaction, and shall coordinate reasonable access by the Buyer to the customers and suppliers of the Business. Notwithstanding anything in this Section 7.1 to the contrary, any such investigation shall be conducted upon reasonable advance notice and in

such manner as does not materially disrupt the conduct of the Business. The Seller shall also deliver to the Buyer authorizations to Governmental Authorities necessary to permit the Buyer to obtain information in respect of the Purchased Assets from the files of such Governmental Authorities.

7.2 Covenant Regarding Confidential Information

On or prior to Closing, the Seller shall request any Person that was furnished Confidential Information of the Seller in accordance with the Sale Procedures to return or destroy all such information.

7.3 Further Assurances

Each of the Parties hereto shall promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other Parties hereto may reasonably require from time to time for the purpose of giving effect to this Agreement and shall use commercially reasonable efforts and take all such steps as may be reasonably within its power to implement to their full extent the provisions of this Agreement. Upon and subject to the terms and conditions of this Agreement and subject to the directions of any applicable courts to the Seller, the Parties shall use their commercially reasonable efforts to take or cause to be taken all actions and to do or cause to be done all things necessary proper or advisable under Applicable Laws to consummate and make effective the Transaction, including using commercially reasonable efforts to satisfy the conditions precedent to the obligations of the Parties hereto.

7.4 Tax Matters

- (a) The Buyer and the Seller agree to use commercially reasonable efforts to furnish or cause to be furnished to each other, as promptly as practicable, such information and assistance relating to the Purchased Assets as is reasonably necessary for the preparation and filing of any Tax return, claim for refund or other required or optional filings relating to Tax matters, for the preparation for and proof of facts during any Tax audit, for the preparation for any Tax protest, for the prosecution of any suit or other proceedings relating to Tax matters and for the answer to any governmental or regulatory inquiry relating to Tax matters.
- (b) For purposes of any Tax return related to the Transaction, the Buyer and, to the extent applicable, the Seller, agree to report the Transaction in a manner consistent with the Purchase Price allocation determined in accordance with Section 3.2, and the Buyer and the Seller shall not voluntarily take any action inconsistent therewith in any such Tax return, refund claim, litigation or otherwise, unless required by applicable Tax laws. The Buyer and the Seller shall each be responsible for the preparation of their own statements required to be filed under the Tax Act and other similar forms in accordance with applicable Tax laws.
- (c) All amounts payable by the Buyer to the Seller pursuant to this Agreement are exclusive of any HST, or any other federal, provincial, state or local or foreign

- 22 -

value-added, sale, use, consumption, multi-staged, ad valorem, personal property, customs, excise, stamp, transfer, land or real property transfer, or similar Taxes, duties, or charges, or any recording or filing fees or similar charges (collectively, “**Transfer Taxes**”). All Transfer Taxes are the responsibility of and for the account of the Party required to pay such taxes under Applicable Laws. The Buyer and the Seller agree to cooperate to determine the amount of Transfer Taxes payable in connection with the Transaction. If the Seller is required by Applicable Law or by administration thereof to collect any applicable Transfer Taxes from the Buyer, the Buyer shall pay such amounts to the Seller concurrent with the payment of any consideration payable pursuant to this Agreement, and the Seller shall remit or account for such Transfer Taxes to the applicable Governmental Authority on a timely basis and otherwise in accordance with Applicable Laws.

- (d) The Seller shall not be required to deliver any certificates to the Buyer under section 6 of the *Retail Sales Tax Act* (Ontario) or under any similar provision contained in any other Applicable Law in respect of the Transfer Taxes.

7.5 Fees and Expenses

Except as expressly provided in this Agreement, all fees and expenses incurred in connection with the negotiation and settlement of this Agreement and the completion of the Transaction, including the fees and disbursements of counsel, financial advisors and accountants, shall be paid by the Person incurring such fees or expenses.

7.6 Transition Services

The Seller shall provide the Buyer with transition services relating to: (i) record keeping, financial, tax and other reporting obligations and other general administrative services as reasonably requested by the Buyer; and (ii) shared Contracts, services and assets both between the Seller and GSH and among the Seller, GSH and one or more of the Seller’s other subsidiaries, or between or among any combination of the foregoing parties (the “**Transition Services**”). The Buyer, in its sole discretion, may require that one or more agreements in respect of the Transition Services be entered into among the Buyer, the Seller, GSH and the Seller’s other subsidiaries, or any combination thereof, each in form and substance acceptable to the Buyer, acting reasonably, that are necessary or desirable for the operation of the GSH Business, including, without limitation, in the event that affiliates of the Buyer are not the successful bidders in other sales processes for the Seller’s assets conducted in the CCAA Proceedings (such agreements, the “**Transition Services Agreements**”).

ARTICLE 8 COURT ORDERS

8.1 Court Orders

- (a) As soon as reasonably possible after the execution of this Agreement, the Seller shall file a motion with the Court for the issuance of, and shall use its best efforts

- 23 -

to obtain, the Sale Procedures Order. Such motion shall be scheduled for a date that is on or before April 4, 2018, subject to the availability of the Court.

- (b) Within the time period provided for in the Sale Procedures, and provided that the Buyer is the Successful Bidder (as defined in the Sale Procedures), the Seller shall file a motion with the Court for the issuance of, and shall use its best efforts to obtain, the Approval and Vesting Order. Such motion shall be scheduled for a date that is on or before June 28, 2018, subject to the availability of the Court.
- (c) The Buyer shall use its best efforts to obtain any order or relief described in Section 2.3 (such orders and relief, together with the Sale Procedures Order and the Approval and Vesting Order, collectively, the “**Court Orders**”). The Buyer shall cooperate with the Seller acting reasonably, as may be necessary, in obtaining the Court Orders, as applicable.
- (d) The Buyer and its legal counsel shall be given a reasonable opportunity to review and comment on:
 - (i) the Seller’s motion materials for the issuance of the Sale Procedures Order; and
 - (ii) to the extent that the Buyer is the Successful Bidder, (A) the Seller’s motion materials for the issuance of the Approval and Vesting Order; and (B) any other materials prepared by the Seller in connection with obtaining the Court Orders (for greater certainty, not including any report or materials filed by the Monitor),

which shall be in form and substance satisfactory to the Buyer prior to being served.

- (e) Notice of the motions seeking the issuance and entry of the Court Orders shall be served by the Seller on all Persons required to receive notice under Applicable Laws and the requirements of the Court, and any other Person determined necessary or advisable by the Seller or the Buyer.

ARTICLE 9 TERMINATION

9.1 Termination

This Agreement may be terminated at any time prior to Closing upon the occurrence of any of the following:

- (a) by mutual written consent of the Seller and the Buyer;
- (b) if the Buyer is not the Successful Bidder, by either party upon the earlier of: (i) thirty (30) days after the Bid Deadline (as defined in the Sale Procedures); and (ii) approval by the Court of the Accepted Bid (as defined in the Sale Procedures),

- 24 -

provided, however, in the event that the Buyer is the Backup Bidder (as defined in the Sale Procedures), the Buyer may not terminate this Agreement until the closing of the Transaction with the Successful Bidder (as defined in the Sale Procedures);

- (c) by either Party (provided such Party is not in breach of its obligations under this Agreement so as to have caused a closing condition not to be fulfilled), upon written notice to the other, if any condition in Section 6.1 is unsatisfied as of the Closing Date;
- (d) by the Seller (provided that the Seller is not in breach of its obligations under this Agreement so as to have caused a closing condition not to be fulfilled), upon written notice to the Buyer, if any condition in Section 6.3 is unsatisfied on the Closing Date and such violation or breach has not been waived by the Seller or cured by the Buyer within three (3) Business Days after written notice thereof from the Seller to the Buyer; and
- (e) by the Buyer (provided that the Seller is not in breach of its obligations under this Agreement so as to have caused a closing condition not to be fulfilled), upon written notice to the Seller, if any condition in Section 6.2 is unsatisfied on the Closing Date and such violation or breach has not been waived by the Buyer or cured by the Seller within three (3) Business Days after written notice thereof from the Buyer to the Seller.

9.2 Effect of Termination

In the event of termination of this Agreement pursuant to Section 9.1, this Agreement shall forthwith become null and void, except as set forth in Section 9.2 and Article 11, and nothing herein shall relieve any Party from liability for any breach of this Agreement, or to impair the right of any Party to compel specific performance by any other Party of its obligations under this Agreement.

ARTICLE 10 CLOSING

10.1 Location and Time of Closing

The Closing shall take place at the Closing Time on the Closing Date at the Toronto, Ontario offices of Torys LLP, or at such other location as may be agreed upon in writing by the Parties hereto.

10.2 Closing Deliveries

- (a) At the Closing, the Seller shall deliver to the Buyer:
 - (i) the documents required to be delivered by the Seller pursuant to Sections 6.1 and 6.2;

- 25 -

- (ii) the consents and approvals required to be obtained pursuant to Section 2.3;
 - (iii) one of more bills of sale or general or specific conveyances with respect to the conveyance of the Purchased Assets, in each case executed by the Seller;
 - (iv) to the extent required to be executed by the Seller, an instrument of assumption of liabilities with respect to the Assumed Liabilities;
 - (v) actual possession of the Purchased Assets to the Buyer (including the GSH Shares); and
 - (vi) any other documents reasonably requested by the Buyer in order to effect or evidence the consummation of the Transaction or otherwise provided for under this Agreement.
- (b) At the Closing, the Buyer shall deliver to the Seller:
- (i) evidence of the satisfaction of the Purchase Price as provided for in Section 3.1, in form and substance satisfactory to the Seller, acting reasonably;
 - (ii) a document specifying the Purchase Price allocation for tax purposes, as provided for in Section 3.2;
 - (iii) a document specifying the allocation of the Purchase Price (other than the Assumed Liabilities component described in Section 3.1(iii)) between the Clairvest Convertible Debentures Indebtedness Assumption Amount and the Clairvest DIP Indebtedness Assumption Amount, as provided for in Section 3.3;
 - (iv) to the extent required to be executed by the Buyer, one of more bills of sale or general or specific conveyances with respect to the conveyance of the Purchased Assets;
 - (v) an instrument of assumption of liabilities with respect to liabilities and obligations under the DIP Credit Agreement equal to the Clairvest DIP Indebtedness Assumption Amount;
 - (vi) an instrument of assumption of liabilities with respect to liabilities and obligations under the Clairvest Convertible Debentures equal to the Clairvest Convertible Debentures Indebtedness Assumption Amount;
 - (vii) an instrument of assumption of liabilities with respect to, and/or an instrument providing for the satisfaction of, the Assumed Liabilities (less each of the Clairvest DIP Indebtedness Assumption Amount and the Clairvest Convertible Debentures Indebtedness Assumption Amount);

- 26 -

- (viii) evidence of payment of Transfer Taxes required by Applicable Law to be collected by the Seller, or, alternatively, if applicable, the election(s) referred to in Section 7.4, executed by the Buyer;
- (ix) the documents required to be delivered by the Buyer pursuant to Section 6.3; and
- (x) any other documents reasonably requested by the Seller in order to effect or evidence the consummation of the Transaction or otherwise provided for under this Agreement.

10.3 Monitor's Certificate

The Parties hereby acknowledge and agree that the Monitor will be entitled to file the Monitor's Certificate with the Court without independent investigation upon receiving written confirmation from the Seller and the Buyer that: (i) all conditions to Closing set forth in Article 6 have been satisfied or waived, and (ii) the Buyer has paid or satisfied, and the Seller has received or received the benefit of, the Purchase Price, and the Monitor will have no liability to the Seller or the Buyer or any other Person as a result of filing the Monitor's Certificate or otherwise in connection with this Agreement or the transactions contemplated hereunder (whether based on contract, tort or any other theory).

ARTICLE 11 GENERAL MATTERS

11.1 Confidentiality

- (a) Except to the extent otherwise specifically provided in this Section 11.1, each Party, on behalf of itself and its affiliates, agrees to keep the other Party's Confidential Information confidential and not to use the other Party's Confidential Information in any manner except as required to perform the obligations set out in this Agreement. Each Party agrees to be responsible for any breach of this Section 11.1 by any of its affiliates and its and their respective directors, employees, advisors, agents and representatives.
- (b) Notwithstanding anything to the contrary herein, each Party maintains the right to disclose the other Party's Confidential Information if required to do so by Applicable Laws or requirement of a Governmental Authority, or to appropriate Tax authorities in order to describe the tax treatment and tax structure of the Transaction; provided that the disclosure of such Confidential Information will be limited only to that purpose and provided further that it will use reasonable efforts to cooperate with the other Party in limiting the disclosure of the Confidential Information.
- (c) At the other Party's request, a Party will destroy all of the other Party's Confidential Information, provided that it is permitted to retain one copy of any Confidential Information to the extent required by Applicable Laws or its internal record keeping policies.

- 27 -

- (d) Any Confidential Information of the Seller that constitutes part of the Purchased Assets will cease to be Confidential Information of the Seller and will become Confidential Information of the Buyer on Closing.

11.2 Public Notices

No press release or other announcement concerning the Transaction shall be made by the Seller or by the Buyer without the prior consent of the other (such consent not to be unreasonably withheld); provided, however, that subject to the last sentence of this Section 11.2, any Party may, without such consent, make such disclosure if the same is required by Applicable Law (including the CCAA Proceedings) or by any insolvency or other court or securities commission or other similar regulatory authority having jurisdiction over such Party or any of its affiliates, and, if such disclosure is required, the Party making such disclosure shall use commercially reasonable efforts to give prior oral or written notice to the other, and if such prior notice is not possible, to give such notice immediately following the making of such disclosure. Notwithstanding the foregoing: (i) this Agreement may be filed by the Seller with the Court; (ii) the Transaction may be disclosed by the Seller to the Court, subject to redacting confidential or sensitive information as permitted by Applicable Laws; and (iii) the Seller may communicate freely with the Monitor as and to the extent required in connection with the CCAA Proceedings, the Sale Procedure and the Court Orders. The Parties further agree that:

- (a) the Seller may prepare and file reports and other documents with the Court containing references to the Transaction and the terms thereof, including for the purpose of obtaining the Court Orders; and
- (b) the Seller and their professional advisors may prepare and file such reports and other documents in the CCAA Proceedings containing references to the Transaction and the terms thereof as may reasonably be necessary to complete the Transaction or to comply with their obligations in connection therewith. Wherever possible, the Buyer shall be afforded an opportunity to review and comment on such materials prior to their filing.

Each of the Parties may issue a press release announcing the execution and delivery of this Agreement, in form and substance mutually agreed to by all of the Parties.

11.3 Survival

The representations and warranties of the Seller in this Agreement or in any agreement, document or certificate delivered pursuant to or in connection with this Agreement or the Transaction are set forth solely for the purpose of Section 6.2 and none of them shall survive Closing. The Seller shall have no liability, whether before or after the Closing, for any breach of the Seller's representations, and the Buyer acknowledges that its exclusive remedy for any such breach shall be termination of this Agreement prior to the Closing (but only if permitted by Section 9.1).

11.4 Non-Recourse

No past, present or future director, officer, employee, incorporator, member, partner, stockholder, affiliate, agent, attorney or representative of the respective Parties hereto, in such capacity, shall have any liability for any obligations or liabilities of the Buyer or the Seller, as applicable, under this Agreement or for any claim based on, in respect of, or by reason of, the Transaction.

11.5 Assignment; Binding Effect

No Party may assign its right or benefits under this Agreement without the consent of the other Party hereto, except that without such consent the Buyer may: (i) assign any or all of its rights and obligations hereunder to one or more of its subsidiaries or affiliates; or (ii) direct that title to all or some of the Purchased Assets be transferred to one or more of its subsidiaries or affiliates, provided that no such assignment or direction shall relieve the Buyer of its obligations hereunder; provided further that if the Buyer shall have assigned all of its rights and obligations hereunder the Buyer shall, immediately following the Closing, be deemed fully released from all of the Buyer's obligations hereunder. References to the Buyer's residency for Tax purposes and to the Buyer's status under the Investment Canada Act are references to the ultimate Buyer. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective permitted successors and permitted assigns. Nothing in this Agreement shall create or be deemed to create any third Person beneficiary rights in any Person or entity not a Party to this Agreement other than the third party beneficiaries of Section 11.4 hereof.

11.6 Notices

Any notice, request, demand or other communication required or permitted to be given to a Party pursuant to the provisions of this Agreement will be in writing and will be effective and deemed given under this Agreement on the earliest of: (i) the date of personal delivery; (ii) the date of transmission by email, with confirmed transmission and receipt (if sent during normal business hours of the recipient, if not, then on the next Business Day); (iii) two days after deposit with a nationally-recognized courier or overnight service such as Federal Express; or (iv) five days after mailing via certified mail, return receipt requested. All notices not delivered personally or by facsimile will be sent with postage and other charges prepaid and properly addressed to the Party to be notified at the address set forth for such Party:

- (a) If to the Buyer at:

c/o Clairvest Group Inc.
22 St. Clair Avenue East
Suite 1700
Toronto, Ontario M4T 2S3

Attention: James H. Miller, General Counsel and Corporate Secretary
Email: jmiller@clairvest.com

with copies (which shall not in itself constitute notice) to:

- 29 -

Torys LLP
TD Centre
79 Wellington Street West, 30th Floor
Toronto, Ontario M5K 1N2

Attention: David Bish / Adam Slavens
Email: dbish@torys.com / aslavens@torys.com

(b) If to the Seller at:

Discovery Air Inc.
170 Attwell Drive, Suite 370
Toronto, Ontario M9W 5Z5

Attention: David Kleiman
Email: david.kleiman@discoveryair.com

with copies (which shall not in itself constitute notice) to:

Goldman Sloan Nash & Haber LLP
480 University Ave Suite 1600
Toronto, Ontario M5G 1V2

Attention: Mario Forte / Michael Rotsztain
Email: forte@gsnh.com / rotsztain@gsnh.com

and to:

KSV Kofman Inc.
150 King Street West, Suite 2308
Toronto, Ontario M5H 1J9

Attention: Bobby Kofman / David Sieradzki
Email: bkofman@ksvadvisory.com / dsieradzki@ksvadvisory.com

with copies (which shall not in itself constitute notice) to:

Goodmans LLP
Bay Adelaide Centre – West Tower
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Attention: L. Joseph Latham
Email: jlatham@goodmans.ca

Any Party may change its address for service from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to such Party at its changed address.

- 30 -


11.7 Counterparts; Facsimile Signatures

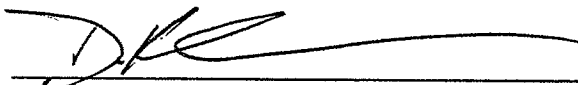
This Agreement may be signed in counterparts and each of such counterparts shall constitute an original document and such counterparts, taken together, shall constitute one and the same instrument. Execution of this Agreement by any of the Parties hereto may be evidenced by facsimile, scanned e-mail or internet transmission copy of this Agreement bearing such signature which, for all purposes, shall be deemed to be an original signature.

[Remainder of page intentionally blank]

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the date first written above.

DISCOVERY AIR INC.

By:  _____
Name:
Title:

By:  _____
Name:
Title:

10671541 CANADA INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

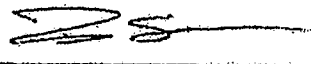
IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the date first written above.

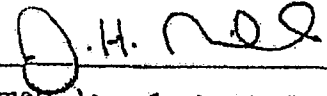
DISCOVERY AIR INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

10671541 CANADA INC.

By: 
Name: Daniel Cheng
Title: Chief Financial Officer

By: 
Name: JAMES MILLER
Title: CORPORATE SECRETARY

Schedule 1.1(d)
Form of Approval and Vesting Order

Court File No.:

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE)
JUSTICE)
) DAY OF , 2018

IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF DISCOVERY AIR INC.

APPLICANT

**APPROVAL AND VESTING ORDER
(Great Slave Helicopters)**

THIS MOTION, made by Discovery Air Inc. (the "Applicant") for an order approving the sale transaction (the "Transaction") contemplated by an asset purchase agreement (the "Sale Agreement") between the Applicant and 10671541 Canada Inc. (the "Purchaser") dated ■, 2018, and appended to ■, and vesting in the Purchaser the Applicant's right, title and interest in and to the Purchased Assets (as defined in the Sale Agreement), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING ■, filed, and on hearing the submissions of counsel for the Applicant, KSV Kofman Inc., in its capacity as the monitor of the Applicant (the "Monitor"), and the Purchaser, no one appearing for any other person on the service list, although properly served as appears from the affidavit of ■ sworn ■, 2018, filed:

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Sale Agreement by the Applicant is hereby authorized and approved, with such minor amendments as the Applicant and the Purchaser, with the consent of the Monitor, may agree upon pursuant to the Sale Agreement. The Applicant, with the consent of the Monitor, is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.
3. THIS COURT ORDERS AND DECLARES that upon the delivery of a Monitor's certificate to the Purchaser substantially in the form attached as Schedule "A" hereto (the "Monitor's Certificate"), all of the Applicant's right, title and interest in and to the Purchased Assets shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice ■ dated ■, 2018 (the "Initial Order"); (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal or movable property registry system in any provinces or territories in Canada, including, without limitation, under the Civil Code of Quebec; and (iii) any Excluded Liabilities (as defined in the Sale Agreement) (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule "B" or the Assumed Liabilities (as defined in the Sale Agreement)). This Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.
4. THIS COURT ORDERS that all counterparties to any Contract (as defined in the Sale Agreement) to which Great Slave Helicopters Ltd. is a party or beneficiary, are prohibited from

exercising any right or remedy under such Contract, including, without limitation, any rights of termination, that arise as a result of, or otherwise relate to, the Transaction, the insolvency of the Applicant, the commencement of the Applicant's proceedings under the *Companies' Creditors Arrangement Act* (Canada) (the "CCAA") or any relief granted in such proceedings (including, without limitation, the extension of a limited stay of proceedings to the Non-Applicant Subsidiaries (as defined in the Initial Order).

5. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Monitor's Certificate all Claims and Encumbrances shall attach to the net proceeds from the 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.

6. THIS COURT ORDERS AND DIRECTS the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof.

7. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Applicant is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Applicant's records pertaining to the Applicant's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Applicant.

8. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Applicant and any bankruptcy order issued pursuant to any such applications; and

- (c) any assignment in bankruptcy made in respect of the Applicant;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicant and shall not be void or voidable by creditors of the Applicant, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) 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.

9. 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 Applicant and the Monitor 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 orders and to provide such assistance to the Applicant and the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

Schedule "A" - Form of Monitor's Certificate

Court File No.: _____

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF DISCOVERY AIR INC.

APPLICANT

**MONITOR'S CERTIFICATE
(Great Slave Helicopters)**

RECITALS

A. Pursuant to an Order of the Honourable ■ of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated ■, 2018, KSV Kofman Inc. was appointed as the monitor (the "Monitor") of Discovery Air Inc. (the "Applicant").

B. Pursuant to an Order of the Court dated ■, 2018, the Court approved the agreement of purchase and sale made as of ■, 2018 (the "Sale Agreement") between the Applicant and 10671541 Canada Inc. (the "Purchaser") and provided for the vesting in the Purchaser of the Applicant'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 the Monitor 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 Article 6 of the Sale Agreement have been satisfied or waived by the Applicant and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Monitor.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE MONITOR CERTIFIES the following:

- 1. The Purchaser has paid and the Applicant 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 Article 6 of the Sale Agreement have been satisfied or waived by the Applicant and the Purchaser; and
- 3. The Transaction has been completed to the satisfaction of the Monitor.
- 4. This Certificate was delivered by the Monitor at _____ [TIME] on _____ [DATE].

**KSV KOFMAN INC., in its capacity as
Monitor of Discovery Air Inc., and not in its
personal capacity**

Per: _____

Name:

Title:

Schedule “B” – Permitted Encumbrances

Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

1. Encumbrances imposed by Applicable Law that rank in priority as at the Closing Date to the Encumbrances created by or resulting from the Clairvest Security Documents, including, but not limited to: (i) any applicable Encumbrances in favour of mechanics, labourers, workmen, builders, contractors, suppliers of goods or services, or other similar Encumbrances incidental to construction, maintenance or repair operations; and (ii) any applicable purchase money security interests under applicable personal property security legislation.
2. Other than for any restrictions in respect of the Transaction, any transfer restrictions on the TA Holdings Shares or the TA Shares.

- 2 -

Schedule 1.1(aaa)

Sale Procedure Order

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	WEEKDAY, THE #
)	
JUSTICE	)	DAY OF MONTH, 2018

IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF DISCOVERY AIR INC.

APPLICANT

SSP APPROVAL ORDER

THIS MOTION, made by Discovery Air Inc. (the “**Applicant**”), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) for an order, *inter alia*, approving a sale and solicitation process and certain related relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicant, the affidavit of ■ sworn ■, 2018, and the Exhibits thereto (the “**■ Affidavit**”), the First Report of KSV Kofman Inc., in its capacity as Monitor (the “**Monitor**”) dated ■, 2018, filed, and on hearing the submissions of counsel for the Applicant, the Monitor and [**Clairvest Group Inc.**], no one else appearing although duly served as appears from the Affidavit of Service of ■ sworn ■, 2018, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meaning ascribed to them under the sale and solicitation process attached hereto as Schedule “■” (the “SSP”).

APPROVAL OF STALKING HORSE AGREEMENTS

3. **THIS COURT ORDERS** that the execution, delivery, entry into, compliance with, and performance by the Applicant of each of the Top Aces Stalking Horse Agreement, GSH Stalking Horse Agreement, ATL Stalking Horse Agreement and DMS Stalking Horse Agreement (each, as defined in the ■ Affidavit, and, collectively the “**Stalking Horse Agreements**”), be and is hereby ratified, authorized and approved, *provided, however*, that nothing contained in this Order approves the sale or the vesting of any property, assets or undertaking of the Applicant to either of the Stalking Horse Bidders pursuant to any of the Stalking Horse Agreements and that, if any or all of the Stalking Horse Agreements are the Accepted Bid under the SSP, the approval of the sale and vesting of the assets contemplated to be sold thereunder to the applicable Stalking Horse Bidder shall be considered by this Court on a subsequent motion or motions made to this Court following completion of the SSP, all in accordance with the terms of the SSP.
4. **THIS COURT ORDERS** that the Stalking Horse Agreements be and are hereby approved and accepted solely for the purposes of constituting stalking horse bids under the SSP.
5. **THIS COURT DECLARES** that the Stalking Horse Bidders are parties to these proceedings.
6. **THIS COURT ORDERS** that the Stalking Horse Agreements shall not be rendered invalid or unenforceable and the rights and remedies of the Stalking Horse Bidders thereunder shall not otherwise be limited or impaired in any way by: (a) the Applicant’s CCAA proceedings and the declarations of insolvency made in connection therewith; (b) any application(s) for bankruptcy order(s) issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”),

or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of security interests, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) the execution, delivery or performance of the Stalking Horse Agreements shall not create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party; and
- (b) the Stalking Horse Bidders shall not have any liability to any person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicant entering into the Stalking Horse Agreements.

APPROVAL OF SSP

7. **THIS COURT ORDERS** that the SSP (subject to such non-material amendments as may be agreed to by the Monitor and the Stalking Horse Bidders (including all schedules thereto)) be and is hereby approved and the Monitor, the Applicant and the Non-Applicant Subsidiaries (as defined in the Initial Order) are hereby authorized and directed to take such steps as they deem necessary or advisable (subject to the terms of the SSP) to carry out the SSP, subject to prior approval of this Court being obtained before completion of any transaction(s) under the SSP.

8. **THIS COURT ORDERS** that the Monitor, the Applicant, the Non-Applicant Subsidiaries and their respective affiliates, partners, directors, employees, advisors, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liability of any nature or kind to any person in connection with or as a result of performing their duties under the SSP, except to the extent of such losses, claims, damages or liabilities resulting from the gross negligence or wilful misconduct of the Monitor, the Applicant, or the Non-Applicant Subsidiaries, as applicable, as determined by the Court.

9. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Monitor, the Applicant and the Non-Applicant Subsidiaries (under the direction of the Monitor) are hereby authorized and permitted to disclose and transfer to each potential bidder (the “**Bidders**”) (including, without limitation, the Stalking Horse Bidders) and to their Representatives, if requested by such Bidders, personal information of identifiable individuals, including, without limitation, all human resources and payroll information in the Companies’ records pertaining to the Companies’ past and current employees, but only to the extent desirable or required to negotiate or attempt to complete a sale of the shares and assets contemplated by the Stalking Horse Agreements (a “**Sale**”). Each Bidder or Representative 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 for the purpose of effecting a Sale, and if it does not complete a Sale, shall return all such information to the Monitor, or in the alternative destroy all such information and provide confirmation of its destruction if requested by the Monitor. The Successful Bidder(s) shall maintain and protect the privacy of such information and, upon closing of the transaction contemplated in the Accepted Bid(s), shall be entitled to use the personal information provided to it that is related to the Property acquired pursuant to the SSP in a manner that is in all material respects identical to the prior use of such information by the relevant Company or Companies, and shall return all other personal information to the Monitor, or ensure that all other personal information is destroyed and provide confirmation of its destruction if requested by the Monitor.

GENERAL

10. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, or any other jurisdiction, to give effect to this Order and to assist the Applicant, the Monitor 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 orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

11. **THIS COURT ORDERS** that each of the Applicant and the Monitor 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 Monitor 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.

12. **THIS COURT ORDERS** that at any time during the SSP, the Monitor, the Applicant or any Stalking Horse Bidder may apply to the Court for directions with respect to the SSP.

SCHEDULE “A”

SALE SOLICITATION PROCESS

Introduction

On March [21], 2018, Discovery Air Inc. (the “**Debtor**”) commenced a proceeding (the “**CCAA Proceeding**”) under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) before the Ontario Superior Court of Justice (Commercial List) (the “**Court**”). Pursuant to the initial order issued by the Court in the CCAA Proceeding (the “**Initial Order**”), KSV Kofman Inc. was appointed as monitor (the “**Monitor**”) in the CCAA Proceeding.

The following Schedules are incorporated into this SSP: (a) Schedule “A” – References and Definitions; (b) Schedule “B” – Form of Acknowledgment of Sale Solicitation Process; (c) Schedule “C” – Addresses for Notice; and (d) Schedule “D” – Auction Procedures.

On ■, 2018, the Debtor brought a motion (the “**SSP Motion**”) before the Court, for, among other things, an order (the “**SSP Order**”) approving:

- (a) the Top Aces Stalking Horse Agreement pursuant to which the Top Aces Stalking Horse Bidder has agreed to: (i) purchase: (A) the Holdco Shares; (B) certain assets owned by the Debtor and used in the Top Aces business and/or shared between the Top Aces business and the businesses of GSH, ATL and DMS (together with the Holdco Shares, the “**Top Aces Property**”); and (C) intercompany debt owing by Top Aces to the Debtor, if any and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness, if any;
- (b) the following Stalking Horse Agreements between the Debtor and the Northern Stalking Horse Bidder:
 - (i) the GSH Stalking Horse Agreement pursuant to which the Northern Stalking Horse Bidder has agreed to: (i) purchase: (A) the GSH Shares; (B) certain assets owned by the Debtor and used in the GSH business as more particularly described in the GSH Stalking Horse Agreement (together with the GSH Shares, the “**GSH Property**”) (C) certain intercompany debt owing by GSH to the Debtor (the “**GSH Intercompany Debt**”); and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness of the Debtor;
 - (ii) the ATL Stalking Horse Agreement pursuant to which the Northern Stalking Horse Bidder has agreed to: (i) purchase: (A) the ATL Shares; (B) certain assets owned by the Debtor and used in the ATL business as more particularly described in the ATL Stalking Horse Agreement (together with the ATL Shares, the “**ATL Property**”) (the “**ATL Intercompany Debt**”); and (C) certain intercompany debt owing by ATL to the Debtor; and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness owing by the Debtor;
 - (iii) the DMS Stalking Horse Agreement pursuant to which the Northern Stalking Horse Bidder has agreed to: (i) purchase: (A) the DMS Shares;

(B) certain assets owned by the Debtor and used in the DMS business as more particularly described in the DMS Stalking Horse Agreement (together with the DMS Shares, the “**DMS Property**”); and (C) certain intercompany debt owing by DMS to the Debtor, if any; and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness owing by the Debtor; and

(c) this SSP.

On ■, 2018, the Court granted the SSP Order. The Monitor will conduct the SSP in accordance with the SSP Order.

Under the SSP, all qualified interested parties will be provided with an opportunity to participate in the SSP on the terms set out herein.

Commencement of the SSP and Identifying Bidders

1. The purpose of the SSP is to conduct certain processes to provide interested parties with opportunities to submit competing offers on an “as is, where is” basis to purchase: (a) the Top Aces Property; (b) the GSH Property, the GSH Intercompany Debt or all or substantially all of the assets of GSH; (c) the ATL Property, the ATL Intercompany Debt or all or substantially all of the assets of ATL; and (d) the DMS Property or all or substantially all of the assets of DMS (each, an “**Opportunity**”). The SSP shall apply to each of the Opportunities and the related processes and transactions, including without limitation, the Top Aces Transaction, GSH Transaction, ATL Transaction and DMS Transaction.
2. Any sales pursuant to this SSP will be without surviving representations or warranties of any kind, nature, or description by the Monitor, the Companies or any of their respective directors, officers, agents, advisors or other representatives unless otherwise agreed in a definitive agreement.
3. All of the Debtor’s right, title and interest in and to any of the Property or other assets to be sold pursuant to any Transactions will be sold free and clear of the pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein and thereon as set out in the Court order approving such sale unless specifically permitted to continue pursuant to the terms of the Accepted Bid.

Timeline

4. The following table sets out the key milestones and deadlines under the SSP:

Milestone	Deadline (Top Aces SSP)	Deadline (GSH SSP)	Deadline (ATL SSP)	Deadline (DMS SSP)
Commencement SSP	April 4, 2018	April 4, 2018	April 4, 2018	April 4, 2018
Bid Deadline	May 21, 2018	June 4, 2018	June 4, 2018	June 4, 2018

Auction	May 31, 2018	June 14, 2018	June 14, 2018	June 14, 2018
Closing Date Deadline	July 31, 2018	July 31, 2018	July 31, 2018	July 31, 2018

Solicitation of Interest: Notice of the SSP

5. The Debtor will issue a press release providing notice of the SSP and any such other relevant information as the Debtor and Monitor consider appropriate (a “**Notice**”) with Canada Newswire for designated dissemination in Canada and major financial centres in the United States.
6. The Monitor shall be entitled, but not obligated, to arrange for a Notice to be published in *The Globe and Mail* (National Edition), and any other newspaper or industry journals as the Monitor considers appropriate, if any, if it believes that such advertisement would be useful in the circumstances.
7. The Monitor has prepared:
 - (a) a list of potential financial bidders who may be interested in a Top Aces Transaction and a list of potential financial and strategic bidders who may be interested in any or all of the Northern Transactions (collectively, “**Potential Bidders**”);
 - (b) Teaser Letters describing the Opportunities, outlining the processes under the Top Aces SSP and Northern SSP, respectively, and inviting recipients of the Teaser Letters to express their interest pursuant to the applicable SSP or SSPs;
 - (c) a form of NDA; and
 - (d) two CIMs describing the Opportunities, which will be made available by the Monitor to Bidders (as defined below).
8. The Monitor has established Data Rooms in respect of the various SSPs which Data Rooms may continue to be updated from time to time during the SSP process.
9. The Monitor may consult with, or seek the assistance or cooperation of, the Companies with respect to the activities described in paragraphs 6, 6 and 8 above.
10. The Monitor will send the applicable Teaser Letter(s) and applicable form or forms of NDA to all applicable Potential Bidders as soon as reasonably practicable after the granting of the SSP Order and to any other party who requests a copy of a Teaser Letter and NDA or who is identified by the Debtor or the Monitor as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.

Delivery of CIMs

11. Any party who wishes to participate in one or more of the SSPs (an “**Interested Party**”) including any Potential Bidder, must provide to the Monitor:

- (a) a NDA executed by it, and a letter setting forth the identity of the Interested Party, the contact information for such Interested Party and full disclosure of the direct and indirect principals of the Interested Party;
 - (b) an acknowledgment of the applicable SSP or SSPs in which the Interested Party wishes to participate, in the form attached hereto as Schedule “B”; and
 - (c) such form of financial disclosure and credit quality support or enhancement that allows the Monitor to make a reasonable determination as to the Interested Party’s financial and other capabilities to consummate a Sale Proposal.
12. If it is determined by the Monitor, in its reasonable business judgment, that an Interested Party: (i) has delivered the documents contemplated in paragraph 11 above; and (ii) has the financial capability based on the availability of financing, experience and other considerations, to be able to consummate a sale pursuant to the SSP or SSPs in which the Interested Party is interested, then such Interested Party will be deemed to be a “**Bidder**”. For greater certainty, the Monitor may, in its reasonable business judgment, determine that an Interested Party may be deemed a Bidder in one SSP but not another.
13. The Monitor will provide each Bidder with a copy of the applicable CIM(s) and access to any corresponding Data Rooms. Bidders and Qualified Bidders (as defined in paragraph 24 below) must rely solely on their own independent review, investigation and/or inspection of all information and of the Property in connection with their participation in any of the SSPs and any transaction they enter into with the Debtor. The Companies, the Monitor and their respective directors, officers, agents and advisors make no representation or warranty as to the information (i) contained in any of the CIMs or the Data Rooms; (ii) provided through the due diligence process or otherwise made available pursuant to any of the SSPs; or (iii) otherwise made available to a Potential Bidder, Interested Party, Bidder or Qualified Bidder, except to the extent expressly contemplated in any definitive sale with the Successful Bidder (as defined below) duly executed and delivered by the Debtor and approved by the Court.
14. At any time during the SSP, the Monitor may, in its reasonable business judgment, eliminate a Bidder from any of the SSPs, in which case such party will no longer be a Bidder for the purposes of such SSP, provided however, this provision does not apply to either of the Stalking Horse Bidders. For greater certainty, the Monitor may, in its reasonable business judgment, eliminate a Bidder participating in multiple SSPs from one but not other SSPs.
15. None of the Companies nor any of its affiliates, shall meet or communicate with a Potential Bidder, Interested Party, Bidder or Qualified Bidder, including the Stalking Horse Bidders, in respect of the Stalking Horse Bids, regarding any Transaction or Opportunity without (a) informing the Monitor and (b) allowing the Monitor the right and opportunity to participate in such meeting, management presentation or communication. In the event a disagreement arises between the Debtor and the Monitor with respect to any matters related directly or indirectly to this SSP, the Monitor, unless otherwise ordered by the Court, shall have the sole authority to make a final decision with respect to such matters.

16. Representatives of the Debtor shall not communicate the identities of any Interested Parties or information in respect of any bids or transaction documents to representatives of either of the Stalking Horse Bidders, whether in that capacity or any other capacity unless and until the identity of the Qualified Bidders are exchanged with all other Qualified Bidders at Auction. For greater certainty, the foregoing provision is not intended to prevent or restrict the Companies from meeting or communicating with either of the Stalking Horse Bidders or any party related thereto regarding matters that do not relate to the SSP.
17. The Monitor, with the Debtor's assistance, shall afford each Bidder such access to applicable due diligence materials and information pertaining to the applicable SSP or SSPs as the Monitor deems appropriate in its reasonable business judgment. Due diligence access may include management presentations, access to the Data Room(s), on-site inspections, and other matters which a Bidder may reasonably request and which the Monitor deems appropriate. The Monitor will designate one or more representatives to coordinate all reasonable requests for additional information and due diligence access from each Bidder and the manner in which such requests must be communicated. Neither the Debtor nor the Monitor will be obligated to furnish any information relating to the Property to any person other than to Bidders. For the avoidance of doubt, selected due diligence materials may be withheld from certain Bidders if the Monitor determines such information to represent proprietary or sensitive competitive information.

Formal Offers and Determination of Qualified Bids

18. Bidders will be able to refer to template Purchase Agreements (which will be based on the Stalking Horse Agreements) placed in the Data Rooms.
19. Bidders that wish to make a formal offer within one or more of the SSPs (a "**Sale Proposal**") must submit offers to the Monitor so as to be received by the Monitor not later than 5:00 PM (Toronto Time) on **[June 4]**, 2018, (the "**Bid Deadline**"). All offers in respect of the applicable Property must be in the form of a duly authorized and executed Purchase Agreement with any changes disclosed in a comparison against the template Purchase Agreement, if applicable, (a "**Final Bid**") at each of the addresses specified in Schedule "C" hereto and may be submitted by email and/or hard copy delivery. Bidders who wish to submit a Sale Proposal for the assets of any or all of GSH, ATL and/or DMS may submit any such Sale Proposal in a separate form of asset purchase agreement reflecting terms consistent with an insolvency transaction, including without surviving representations and warranties. For greater certainty, Bidders must submit a separate Purchase Agreement or asset purchase agreement for each SSP in which the Bidder is making a Sale Proposal.
20. The Monitor, in consultation with the Debtor, may modify the Bid Deadline with respect to some or all of the SSPs. Any such modification shall be communicated to all Bidders for the applicable SSP in writing and posted on the Monitor's Website.
21. In order to be considered a Final Bid, a Sale Proposal shall include the following terms (collectively, the "**Final Bid Criteria**"):

- (a) Subject to subsection (b) below, that the bid is binding and irrevocable until the earlier of (i) 30 days after the Bid Deadline and (ii) approval by the Court of the Accepted Bid (the “**Bid Termination Date**”);
- (b) include an acknowledgement that if such Final Bid is selected by the Monitor as the Backup Bid at the Auction, such Final Bid shall remain binding, irrevocable and open for acceptance by the Debtor until the closing of the transaction with the Successful Bidder;
- (c) include a refundable cash deposit in the form of a wire transfer (to a bank account specified by the Monitor) or such other form of deposit as is acceptable to the Monitor, payable to the Monitor, in trust, in an amount equal to 15% (the “**Deposit**”) of the purchase price contemplated by the Bidder’s Final Bid;
- (d) provide contact information (including an email address) for the Bidder and disclose the identity of each entity (including its ultimate shareholders and/or sponsors) that will be bidding for the Property or otherwise participating in a Final Bid and the complete terms of any such participation;
- (e) include written evidence of a firm, irrevocable commitment for financing or other evidence of an ability to consummate the proposed transaction or transactions comprising the Final Bid, that will allow the Monitor to make a determination as to the Bidder’s financial and other capabilities to consummate the proposed transaction;
- (f) include acknowledgments and representations of the Bidder that: (i) it has had an opportunity to conduct any and all due diligence regarding the Property, the Debtor or otherwise prior to making its bid; (ii) it has relied solely upon its own independent review, investigation and/or inspection of the Property (including, without limitation, any documents in connection therewith) in making its bid; and (iii) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Property or the Debtor or the completeness of any information provided in connection therewith, except as expressly stated in the definitive transaction agreement(s) signed by the Debtor and approved by the Court;
- (g) include written evidence, in form and substance reasonably satisfactory to the Monitor, of authorization and approval from the Bidder’s board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the transaction contemplated by the bid;
- (h) provides value to the creditors and other stakeholders of the Debtor (having regard to the relative priority of creditor claims) that is equal to or greater than the value of the applicable Stalking Horse Agreement;
- (i) details of any liabilities to be assumed by the Bidder;
- (j) not be subject to further due diligence;

- (k) not be subject to financing;
 - (l) include a description of any regulatory or other third-party approvals required for the Bidder to consummate the sale transaction, and the time period within which the Bidder expects to receive such regulatory and/or third-party approvals, and those actions the Bidder will take to ensure receipt of such approvals as promptly as possible;
 - (m) include a description of any desired arrangements with respect to transition services that may be required from any of the Companies in connection with the sale transaction;
 - (n) not be subject to any conditions precedent except those that are customary in a transaction of this nature;
 - (o) not be conditional upon approval by the Court of any bid protection, such as a break-up fee, termination fee, expense reimbursement or similar type of payment;
 - (p) be received by the Bid Deadline; and
 - (q) contemplate closing the transaction set out therein on or before **[July 31]**, 2018 (the **“Closing Date Deadline”**).
22. Following the Bid Deadline, the Monitor will determine if each Sale Proposal delivered to the Monitor meets the Final Bid Criteria, provided that each Sale Proposal may be negotiated among the Monitor and the applicable Bidder and may be amended, modified or varied to improve such Sale Proposal as a result of such negotiations. The Monitor shall be under no obligation to negotiate identical terms with, or extend identical terms to, each Bidder.
23. On notice to parties in the CCAA Proceeding, the Monitor may seek Court approval of an amendment to the SSP or any one of them that it considers material. For greater certainty, the extension of any deadline by up to two weeks shall not be considered material.
24. If a Sale Proposal meets the Final Bid Criteria, such Final Bid will be deemed to be a **“Qualified Bid”** and the Bidder in respect of each such Qualified Bid shall be a **“Qualified Bidder”** in respect of the applicable SSP. The Monitor may waive strict compliance with any one or more of the Final Bid Criteria and deem such non-compliant Sale Proposal to be a Qualified Bid, provided that doing so shall not constitute a waiver by the Monitor of the Final Bid Criteria or an obligation on the part of the Monitor to designate any other Sale Proposal as a Qualified Bid.

Selection of Successful Bidders

25. On or before June 11, 2018, or at such later time as the Monitor may deem appropriate, the Monitor will advise each Bidder if its Sale Proposal is a Qualified Bid (the **“Notification Date”**) with respect to the applicable SSP.

26. If one or more Qualified Bids for a particular SSP is received by the Bid Deadline (as such deadline may be extended by the Monitor as set out herein), all Qualified Bidders for such SSP shall proceed to an Auction with the applicable Stalking Horse Bidder, to be held on June 14, 2018, which shall proceed according to the Auction Procedures to identify the Successful Bidder. For greater certainty, each Stalking Horse Bidder is, and is deemed to be, a Qualified Bidder in respect of the applicable SSP and each Stalking Horse Agreement is, and is deemed to be, a Qualified Bid for all purposes in connection with the applicable SSP. The Monitor, in consultation with the Debtor, may postpone or delay the commencement of an Auction with respect to either or both of the SSPs. Any such postponement or delay shall be posted at the Auction Location, communicated to all applicable Qualified Bidders for the applicable SSP in writing and posted on the Monitor's Website.
27. If no Qualified Bid for a SSP other than the Stalking Horse Purchase Agreement is received by the Bid Deadline (as the same may be extended by the Monitor as set out herein), an Auction for such SSP will not be held and that Stalking Horse Bidder will be declared to be the Successful Bidder with respect to the applicable Transaction. The "**Accepted Bid**" for a SSP will be either (i) the applicable Stalking Horse Bid if no Qualified Bid for such SSP is received by the Bid Deadline or so designated by the Monitor; or (ii) in the event of an Auction, the highest and best bid as determined by the Monitor at the Auction. The party that submitted the Accepted Bid for a SSP is referred to herein as the "**Successful Bidder**" with respect to such SSP.
28. If, upon the conclusion of an Auction, the Stalking Horse Bidder is not the Successful Bidder, the Successful Bidder's transaction shall be considered to be a superior transaction (a "**Superior Transaction**").
29. Within seven (7) Business Days of the selection of an Accepted Bid for a Transaction (or as soon as reasonably possible thereafter), the Debtor shall file an Approval Motion. All of the Qualified Bids for that Transaction and SSP other than the applicable Accepted Bid, the Backup Bid and the Stalking Horse Bid, shall be deemed rejected by the Monitor on and as of the date of approval of the applicable Accepted Bid by the Court.
30. All Deposits will be retained by the Monitor in trust. The Monitor shall deposit all Deposits with interest bearing accounts. Any Deposit held by the Monitor with respect to the Accepted Bid (plus accrued interest, if any) will be non-refundable (other than as may be provided for in the Purchase Agreement that constitutes the Accepted Bid) and will be applied to the purchase price to be paid by the Successful Bidder upon closing of the transaction under the Accepted Bid. The Deposits (plus applicable interest, if any) of Bidders not selected as Qualified Bidders will be returned to such Bidders within three (3) Business Days of the Notification Date. The Deposits (plus applicable interest, if any) of Qualified Bidders (other than the Backup Bidder) not selected as the Successful Bidder will be returned to such parties within three (3) Business Days of the Bid Termination Date.
31. If the Successful Bidder for any Transaction fails to close the transaction contemplated by the Accepted Bid by the earlier to occur of the applicable Closing Date Deadline and the closing date under the Accepted Bid (or such date that may otherwise be mutually agreed

upon among the Debtor, the Monitor and the Successful Bidder), the Monitor shall be authorized but not required to: (a) direct the Debtor to exercise such rights and remedies as are available to the Debtor under the Accepted Bid including, if applicable, deeming that the Successful Bidder has breached its obligations pursuant to the Accepted Bid and that the Successful Bidder has forfeited its Deposit to the Debtor; (b) designate the Backup Bidder as the Successful Bidder and direct the Debtor to close the transaction under the Backup Bid; or (c) take such other steps as it deems advisable. The Debtor reserves its right to seek all available damages, including specific performance, from any defaulting Successful Bidder (including any Backup Bidder designated as a Successful Bidder).

Confidentiality and Access to Information

32. Each Potential Bidder, Interested Party, Bidder or Qualified Bidder (including the Stalking Horse Bidder) shall not be permitted to receive any information that is not made generally available to all participants relating to the number or identity of Potential Bidders, Bidders, Qualified Bidders, Qualified Bids, the details of any bids submitted or the details or existence of any confidential discussions or correspondence among the Debtor, the Monitor and any Bidder in connection with any SSP in which such parties are participating.
33. In addition, the Monitor may consult with any other parties with a material interest in the CCAA Proceeding regarding the status and material information and developments relating to any or all of the SSPs to the extent considered appropriate by the Monitor and taking into account, among other things, whether any particular party is a Bidder, Qualified Bidder, or other participant or prospective participant in one or more of the SSPs; provided that such parties may be required to enter into confidentiality arrangements satisfactory to the Monitor. For greater certainty, Clairvest shall not be entitled to any information regarding the status of the SSP unless such information is provided to all Qualified Bidders in the process.

Supervision of the SSP

34. The Monitor will oversee, in all respects, the conduct of the SSP and, without limitation, the Monitor will participate in the SSP in the manner set out herein and in the SSP Order. All discussions or inquiries to the Debtors regarding the SSP shall be directed to the Monitor. Under no circumstances should representatives of the Companies be contacted directly or indirectly in respect of the SSP, including diligence requests, without the prior written consent of the Monitor. Any such unauthorized contact or communication could result in exclusion from any or all of the SSP processes. For greater certainty, the foregoing provision is not intended to prevent or restrict the Debtor or its affiliates and representatives from meeting or communicating with any Stalking Horse Bidder, in a capacity other than as a Stalking Horse Bidder, or any party related thereto regarding matters that do not relate to the SSP.
35. Other than as specifically set forth in the Stalking Horse Agreements or in a definitive agreement between the Companies and the Successful Bidder under a Superior Transaction, the SSP does not, and will not be interpreted to create any contractual or other

legal relationship among the Debtor, the Monitor, any Potential Bidder, Interested Party, Bidder, Qualified Bidder, the Successful Bidder, or any other party.

36. Subject to the terms of the Initial Order and any entitlement of the Stalking Horse Bidder to a Stalking Horse Expense Reimbursement, participants in the SSP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any Final Bid, participation in the SSP, Auction, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a transaction.

SCHEDULE “A”- REFERENCES AND DEFINITIONS

In this document, unless the context otherwise required, words importing the singular include the plural and vice versa. Capitalized terms used herein and not otherwise defined shall have the meaning given to them in the Initial Order. Except where otherwise expressly provided, all dollar reference amounts are to Canadian dollars.

The terms below shall have the following meaning given to them:

- (a) “**Accepted Bid**” has the meaning given to it in paragraph 27;
- (b) “**Air Tindi Transaction**” means the transaction contemplated by the ATL Stalking Horse Agreement or any other transaction under the ATL Stalking Horse Agreement or any improved bid pursuant to the process set out herein;
- (c) “**Approval Motion**” the Debtor’s motion or motions to be filed with the Court seeking one or more orders to approve the Accepted Bids;
- (d) “**ATL**” means Air Tindi Ltd.;
- (e) “**ATL Property**” has the meaning given to it in the Introduction;
- (f) “**ATL Shares**” means 1870 issued and outstanding Class A common shares in the capital of ATL, being 100% of the issued and outstanding shares of ATL;
- (g) “**ATL SSP**” the sale and solicitation process to solicit bids for the ATL Property as set out herein;
- (h) “**ATL Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Northern Stalking Horse Bidder dated as of ■, 2018 as the same may be amended, modified, improved or changed pursuant to the terms of this SSP for the purchase and sale of the ATL Property;
- (i) “**Auction**” means an auction conducted pursuant to this SSP pursuant to the Auction Procedures;
- (j) “**Auction Location**” has the meaning given to it in paragraph 1 of the Auction Procedures;
- (k) “**Auction Procedures**” mean the auction procedures set out in Schedule “D” hereto;
- (l) “**Backup Bid**” has the meaning given to it in paragraph 13 of the Auction Procedures;

- (m) “**Backup Bidder**” has the meaning given to it in paragraph 13 of the Auction Procedures;
- (n) “**Bid Deadline**” has the meaning given to it in paragraph 19;
- (o) “**Bid Termination Date**” has the meaning given to it in paragraph 21(a);
- (p) “**Bidder**” has the meaning given to it in paragraph 12;
- (q) “**Business Day**” means any day, other than Saturday or Sunday, on which the principal commercial banks in Toronto are open for commercial banking business during normal banking hours;
- (r) “**CCAA**” has the meaning given to it in the Introduction;
- (s) “**CCAA Proceeding**” has the meaning given to it in the Introduction;
- (t) “**Closing Date Deadline**” has the meaning given to it in paragraph 21(q);
- (u) “**CIM**” means a confidential information memorandum to be prepared by the Monitor in connection with a SSP;
- (v) “**Companies**” means the Debtor, Top Aces, Top Aces Holdco, GSH, ATL and DMS;
- (w) “**Court**” has the meaning given to it in the Introduction;
- (x) “**Credit Bid**” means a bid that provides for all or part of the consideration to be paid to be satisfied by way of a credit bid of secured indebtedness of the Debtor;
- (y) “**Data Rooms**” the electronic data rooms to be established by the Monitor in connection with the SSP;
- (z) “**Deposit**” has the meaning given to it in paragraph 21(c);
- (aa) “**Debtor**” has the meaning given to it in the Introduction;
- (bb) “**Discovery Mining Transaction**” means the transaction contemplated by the DMS Stalking Horse Agreement or any other transaction under the DMS Stalking Horse Agreement or any improved bid pursuant to the process set out herein;
- (cc) “**DMS**” means Discovery Mining Services Ltd.
- (dd) “**DMS Property**” has the meaning given to it in the Introduction;

- (ee) “**DMS Shares**” means 22,883,047 issued and outstanding Class A common shares in the capital of DMS, being 100% of the issued and outstanding shares of DMS;
- (ff) “**DMS SSP**” the sale and solicitation process to solicit bids for the DMS Property as set out herein;
- (gg) “**DMS Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Northern Stalking Horse Bidder dated as of ■, 2018 as the same may be amended, modified, improved or changed pursuant to the terms of this SSP for the purchase and sale of the DMS Property
- (hh) “**Final Bid**” has the meaning given to it in paragraph 19;
- (ii) “**Final Bid Criteria**” has the meaning given to it in paragraph 20;
- (jj) “**Great Slave Transaction**” means the transaction contemplated by the GSH Stalking Horse Agreement or any other transaction under the GSH Stalking Horse Agreement or any improved bid pursuant to the process set out herein;
- (kk) “**GSH**” means Great Slave Helicopters Ltd.;
- (ll) “**GSH Property**” has the meaning given to it in the Introduction;
- (mm) “**GSH Shares**” means (i) 157,891,795 issued and outstanding Class A common shares; (ii) 1,111 issued and outstanding Class D common shares; (iii) 40,000,000 issued and outstanding Class E common shares; (iv) 7,624 issued and outstanding Class F Preferred shares; (v) 11,072 issued and outstanding Class G Preferred shares; and (vi) 14,400 issued and outstanding Class H Preferred shares issued and outstanding common shares in the capital of GSH, being 100% of the issued and outstanding shares of GSH;
- (nn) “**GSH SSP**” the sale and solicitation process to solicit bids for the GSH Property as set out herein;
- (oo) “**GSH Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Northern Stalking Horse Bidder dated as of ■, 2018 as the same may be amended, modified, improved or changed pursuant to the terms of this SSP for the purchase and sale of the GSH Property;
- (pp) “**Holdco Shares**” means 253.83602 issued and outstanding Class A common shares in the capital of Top Aces Holdco being 100% of the shares of Top Aces Holdco owned by the Debtor;
- (qq) “**Initial Order**” has the meaning given to it in the Introduction;
- (rr) “**Interested Party**” has the meaning given to it in paragraph 11;

- (ss) “**Potential Bidders**” has the meaning given to it in paragraph 6;
- (tt) “**Leading Bid**” has the meaning given to it in paragraph 11 of the Auction Procedures;
- (uu) “**Monitor**” has the meaning given to it in the Introduction;
- (vv) “**Monitor’s Website**” means the Monitor’s website at www.ksvadvisory.com/insolvency-cases/discovery-air;
- (ww) “**NDA**” one or more forms of non-disclosure agreement to be used in connection with the solicitation of bids in this SSP;
- (xx) “**Northern SSP**” means collectively the GSH SSP, ATL SSP and DMS SSP;
- (yy) “**Northern Transactions**” means the Great Slave Transaction, Air Tindi Transaction and Discovery Mining Transaction;
- (zz) “**Northern Stalking Horse Bidder**” means 10671541 Canada Inc.;
- (aaa) “**Northern Stalking Horse Agreements**” means the GSH Stalking Horse Agreement, ATL Stalking Horse Agreement and DMS Stalking Horse Agreement;
- (bbb) “**Notice**” has the meaning given to it in paragraph 6;
- (ccc) “**Notification Date**” has the meaning given to it in paragraph 25;
- (ddd) “**Opportunity**” has the meaning given to it in paragraph 1;
- (eee) “**Overbid**” has the meaning given to it in paragraph 9 of the Auction Procedures;
- (fff) “**Property**” means the Top Aces Property, GSH Property, ATL Property and/or the DMS Property as the context may require;
- (ggg) “**Purchase Agreements**” means the template forms of purchase agreements to be placed in the Data Rooms upon which Bidders are to make Sale Proposals;
- (hhh) “**Qualified Bid**” has the meaning given to it in paragraph 24;
- (iii) “**Qualified Bidder**” has the meaning given to it in paragraph 24;
- (jjj) “**Sale Proposal**” has the meaning given to it in paragraph 19;
- (kkk) “**SSP**” means this sale and solicitation process document and the processes set out herein including without limitation the Top Aces SSP, GSH SSP, ATL SSP or DMS SSP or any one of them as the context may require;

- (lll) “**SSP Motion**” has the meaning given to it in the Introduction;
- (mmm) “**SSP Order**” has the meaning given to it in the Introduction;
- (nnn) “**Stalking Horse Agreements**” means the Top Aces Stalking Horse Agreement and the Northern Stalking Horse Agreement;
- (ooo) “**Stalking Horse Bidder**” means the Top Aces Stalking Horse Bidder and the Northern Stalking Horse Bidder;
- (ppp) “**Starting Bid**” has the meaning given to it in paragraph 7 of the Auction Procedures;
- (qqq) “**Subsequent Bid**” has the meaning given to it in paragraph 4 of the Auction Procedures;
- (rrr) “**Successful Bidder**” has the meaning given to it in paragraph 27;
- (sss) “**Superior Transaction**” has the meaning given to it in paragraph 28;
- (ttt) “**Teaser Letter**” means the process summary letters to be prepared by the Monitor in connection with the SSP;
- (uuu) “**Top Aces**” means Top Aces Inc. (formerly known as Discovery Air Defence Services Inc.);
- (vvv) “**Top Aces Holdco**” means Top Aces Holdings Inc.;
- (www) “**Top Aces Property**” has the meaning given to it in the Introduction;
- (xxx) “**Top Aces SSP**” the sale and solicitation process to solicit bids for the Top Aces Property as set out herein;
- (yyy) “**Top Aces Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Top Aces Stalking Horse Bidder dated as of ■, 2018 as the same may be amended, modified, improved or changed pursuant to the terms of this SSP for the purchase and sale of the Top Aces Property;
- (zzz) “**Top Aces Stalking Horse Bidder**” means, collectively, CEP IV Co-Investment Limited Partnership, Clairvest Equity Partners IV Limited Partnership, Clairvest Equity Partnership IV-A Limited Partnership, DA Holdings Limited Partnership and G. John Krediet;
- (aaaa) “**Top Aces Transaction**” means the transaction contemplated by the Top Aces Stalking Horse Agreement or any other transaction under the Top Aces Stalking Horse Agreement or any improved bid pursuant to the process set out herein;

(bbb) "**Transactions**" means the Top Aces Transaction, Great Slave Transaction, Air Tindi Transaction and/or Discovery Mining Transaction.

SCHEDULE “B”

Acknowledgement of the Sale and Solicitation Process

TO: Discovery Air Inc.

AND TO: KSV Kofman Inc. in its capacity as monitor in the CCAA proceedings of Discovery Air Inc.

RE: Sale and Solicitation Process in respect of the following Transaction(s) [*check all that apply*]:

- Top Aces Transaction
 - Great Slave Transaction
 - Air Tindi Transaction
 - Discovery Mining Transaction
-

The undersigned hereby acknowledges receipt of the sale and solicitation process approved by the Order of the Honourable Justice ■ of the Ontario Superior Court of Justice (Commercial List) dated ■, 2018 (the “SSP”) and that compliance with the terms and provisions of the SSP is required in order to participate in the SSP and for any Final Bid (as defined in the SSP) to be considered by the Monitor.

This ____ day of _____, 2018.

[Insert Interested Party name]

Per:

Email Address:

SCHEDULE “C” – ADDRESSES FOR NOTICES**KSV Kofman Inc.****Court-Appointed Monitor in Discovery Air Inc.’s CCAA proceedings**

150 King Street West

Suite 2308, Box 42

Toronto ON M5H 1J9

Attention: Bobby Kofman & David Sieradzki

Email: bkofman@ksvadvisory.com/ dsieradzki@ksvadvisory.com**-with copies to-****Goldman Sloan Nash & Haber LLP****Lawyers for the Debtor**

1600-480 University Avenue

Toronto, ON M5G 1V2

Attention: Michael Rotsztain and Jennifer Stam

Email: rotsztain@gsnh.com/ stam@gsnh.com**Goodmans LLP****Lawyers for the Monitor**

Bay Adelaide Centre

333 Bay Street, Suite 3400

Toronto ON M5H 2S7

Attention: Joe Latham

Email: jlatham@goodmans.ca

SCHEDULE “D” - AUCTION PROCEDURES

1. The Auctions for each SSP, if any, shall be conducted by the Monitor, commencing on June 14, 2018, at 10:00 a.m. (Toronto time) at the offices of Goodmans LLP, 333 Bay Street, Suite 3400, Toronto, ON, M5H 2S7 or such other location as the Monitor may choose in advance of the commencement of an Auction (the “**Auction Location**”). No later than 24 hours prior to the scheduled date of the Auction, the Monitor shall communicate any change in the Auction Location from the offices of Goodmans LLP to another location to all applicable Qualified Bidders in writing and post notice of such change in location at the offices of Goodmans LLP and on the Monitor’s Website.
2. To the extent that the Monitor is to conduct multiple Auctions, it may choose to conduct such Auctions concurrently or consecutively in its discretion. Any delay or postponement of the commencement of an Auction shall be communicated in accordance with paragraph 26 of the SSP.
3. Unless otherwise ordered by the Court or consented to in writing by the Monitor, only the authorized representatives and professional advisors of the Monitor, the Companies, the applicable Stalking Horse Bidder, and each other Qualified Bidder invited to an Auction shall be eligible to attend an Auction and make any Subsequent Bid (as defined below) at an Auction. Administrative personnel, including, without limitation, a court reporter or similar official, will also attend an Auction at the invitation of the Monitor.
4. At an Auction, all applicable Qualified Bidders (including a Stalking Horse Bidder) shall be permitted to increase their Qualified Bids in accordance with the procedures set forth herein (each, a “**Subsequent Bid**”). All Subsequent Bids presented during an Auction shall be made and received in one room on an open basis. All participating Qualified Bidders shall be entitled to be present for all bidding with the understanding that the true identity of each participating Qualified Bidder shall be fully disclosed to all other Qualified Bidders and that all material terms of each Subsequent Bid presented during an Auction will be fully disclosed to the participating Qualified Bidders throughout an entire Auction.
5. All Qualified Bidders must have at least one individual representative with authority to bind such Qualified Bidder present in person at the offices of Goodmans LLP during the Auction(s).
6. All proceedings at an Auction shall be transcribed.
7. At least two (2) days prior to an Auction, the Monitor will advise all Qualified Bidders for the applicable SSP which of the Qualified Bids (including a Stalking Horse Agreement) the Monitor has determined in its reasonable business judgment,

after consultation with its advisors and the Companies, constitutes the then highest or otherwise best Qualified Bid (the “**Starting Bid**”).

8. The Starting Bid will be deemed to be the first bid at the Auction and bidding at the Auction will continue, in one or more rounds of bidding, so long as during each round at least one Subsequent Bid is submitted by a Qualified Bidder that, in the reasonable business judgment of the Monitor improves upon the then Leading Bid and meets the Overbid requirement.
9. The first round of bidding at an Auction in respect of the following processes and transactions shall commence in the following increments:
 - (a) bidding in respect of the Top Aces Transaction shall commence in increments of \$■;
 - (b) bidding in respect of the GSH Transaction shall commence in increments of \$■
 - (c) bidding in respect of the ATL Transaction shall commence in increments of \$■; and
 - (d) bidding in respect of the DMS Transaction shall commence in increments of \$■,

(each, an “**Overbid**”). The Monitor shall be entitled to change the amount of Overbid in subsequent rounds of bidding at the Auction in its discretion.
10. Credit Bids will be permitted at an Auction, provided that the validity of such secured indebtedness has been confirmed by the Monitor prior to commencement of such Auction. Bidding shall continue until such time as the highest or best bid is determined by the Monitor, in its reasonable business judgment, after consultation with its advisors. The Monitor, in its sole discretion, shall have the right to modify the bidding increments at the commencement of any round of the Auction. For the purpose of evaluating the value of the consideration provided by each Subsequent Bid (including any Subsequent Bid by a Stalking Horse Bidder) presented at the Auction, the value will take into account the amount and priority of any Credit Bid and any liabilities to be assumed by a Qualified Bidder.
11. After the first round of bidding and between each subsequent round of bidding, the Monitor shall announce the Subsequent Bid that the Monitor has determined in its reasonable business judgment, after consultation with its advisors, to be the then highest or best bid (the “**Leading Bid**”). A round of bidding will conclude after each participating Qualified Bidder has had an opportunity to submit a Subsequent Bid with full knowledge of the Leading Bid.

12. If no Qualified Bidder submits a Subsequent Bid (as determined by the Monitor) after a period of 30 minutes following the Monitor's acceptance of a Subsequent Bid as the Leading Bid, and the Monitor chooses not to adjourn an Auction, the Leading Bid shall be the Accepted Bid, whereupon such Auction will be concluded. The Monitor shall have the right, but not the obligation, to extend the time period to submit an offer.
13. If an Auction is conducted, the Monitor shall determine, in its reasonable business judgment after consultation with its advisors, the next highest or otherwise best Qualified Bid after the Accepted Bid (the "**Backup Bid**"). The Qualified Bidder which has submitted the Backup Bid will be designated as the "**Backup Bidder**". The Backup Bidder shall be required to keep its last submitted Subsequent Bid, or if it has not made a Subsequent Bid, its Qualified Bid (the "**Backup Bid**") open and irrevocable until the closing of the transaction with the Successful Bidder.
14. At or during an Auction, the Monitor, after consultation with its advisors, may employ and announce additional procedural rules that are fair and reasonable under the circumstances (e.g., the amount of time allotted to make Subsequent Bids) for conducting such Auction; provided, however, that such rules are (a) not inconsistent with the SSP or these Auction Procedures, the CCAA, any order of the Court entered in connection with the SSP or Auction Procedures and (b) disclosed to each Qualified Bidder at or during the Auction.

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

Court File No.:

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF DISCOVERY AIR INC. (the "APPLICANT")

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

Proceeding commenced at Toronto

SSP APPROVAL ORDER

GOLDMAN SLOAN NASH & HABER LLP
480 University Avenue, Suite 1600
Toronto, Ontario M5G 1V2
Fax: 416-597-6477

Mario Forte (LSUC#: 27293F)
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Jennifer Stam (LSUC#: #46735J)
Tel: 416.597.5017
Email: stam@gsnh.com

Lawyers for the Applicant

Schedule 2.1(c)
Assigned Contracts

TAB B

This is Exhibit "B" referred to in the
 affidavit of Paul Bernards
 sworn before me at Toronto
 this 28 day of March 2018

 A Commissioner for taking Affidavits for Ontario

**ASSET PURCHASE AGREEMENT
 (AIR TINDI)**

DISCOVERY AIR INC.

as Seller

- and -

10671541 CANADA INC.

as Buyer

March 21, 2018

TABLE OF CONTENTS

ARTICLE 1 INTERPRETATION	2
1.1 Definitions.....	2
1.2 Schedules	8
1.3 Statutes.....	8
1.4 Headings and Table of Contents.....	8
1.5 Gender and Number	8
1.6 Currency.....	8
1.7 Invalidity of Provisions.....	8
1.8 Entire Agreement.....	9
1.9 Waiver, Amendment.....	9
1.10 Governing Law; Jurisdiction and Venue	9
ARTICLE 2 PURCHASE AND SALE.....	9
2.1 Agreement to Purchase and Sell Purchased Assets	9
2.2 Assumption and/or Satisfaction of Liabilities.....	10
2.3 Assignment of Purchased Assets	11
2.4 Excluded Obligations.....	12
2.5 “As is, Where Is”	12
ARTICLE 3 PURCHASE PRICE AND RELATED MATTERS	13
3.1 Purchase Price.....	13
3.2 Purchase Price Allocation Among Purchased Assets	13
3.3 Purchase Price Allocation Between Purchase Price Components	13
ARTICLE 4 REPRESENTATIONS AND WARRANTIES BY THE SELLER	14
4.1 Existence	14
4.2 Recitals.....	14
4.3 Due Authorization and Enforceability of Obligations	14
4.4 Right to Sell, and Title to, Purchased Assets	14
4.5 Air Tindi Shares.....	14
4.6 Absence of Conflicts.....	15
4.7 Approvals and Consents	15
4.8 Residence of the Seller.....	15
4.9 HST Registration	15
4.10 Brokers.....	15
ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF THE BUYER	15
5.1 Existence	16
5.2 Recitals.....	16
5.3 Due Authorization and Enforceability of Obligations	16
5.4 Absence of Conflicts.....	16
5.5 Approvals and Consents	16
5.6 Residence of the Buyer	17
5.7 HST Registration	17

5.8	<i>Investment Canada Act</i>	17
5.9	No Additional Due Diligence	17
5.10	Brokers	17
ARTICLE 6 CONDITIONS		17
6.1	Conditions for the Benefit of the Buyer and the Seller	17
6.2	Conditions for the Benefit of the Buyer	18
6.3	Conditions for the Benefit of the Seller	19
ARTICLE 7 ADDITIONAL AGREEMENTS OF THE PARTIES		20
7.1	Access to Information	20
7.2	Covenant Regarding Confidential Information	20
7.3	Further Assurances	21
7.4	Tax Matters	21
7.5	Fees and Expenses	22
7.6	Transition Services	22
ARTICLE 8 COURT ORDERS		22
8.1	Court Orders	22
ARTICLE 9 TERMINATION		23
9.1	Termination	23
9.2	Effect of Termination	24
ARTICLE 10 CLOSING		24
10.1	Location and Time of Closing	24
10.2	Closing Deliveries	24
10.3	Monitor's Certificate	26
ARTICLE 11 GENERAL MATTERS		26
11.1	Confidentiality	26
11.2	Public Notices	27
11.3	Survival	27
11.4	Non-Recourse	27
11.5	Assignment; Binding Effect	28
11.6	Notices	28
11.7	Counterparts; Facsimile Signatures	29

ASSET PURCHASE AGREEMENT

THIS AGREEMENT is made as of March 21, 2018

B E T W E E N:

DISCOVERY AIR INC., a corporation incorporated under the laws of the Province of Ontario, and continued under the laws of Canada

(the “**Seller**”)

- and -

10671541 CANADA INC., a corporation existing under the laws of Canada

(the “**Buyer**”)

RECITALS:

- A. The Seller, through its subsidiaries, provides specialty aviation services to governments, airlines, and natural resource and other business customers, operating across Canada and in select locations internationally, including the United States, Bolivia, Australia, and Chile (together with any other business in which the Seller is engaged on the date hereof, the “**Business**”).
- B. The Seller legally and beneficially owns, as at the date hereof, 1870 issued and outstanding Class A common shares in the capital of Air Tindi Ltd. (“**Air Tindi**”), as well as certain other property, assets and undertaking that are used in connection with the business conducted by Air Tindi (the “**Air Tindi Business**”).
- C. On March 21, 2018, the Seller commenced proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”), and an initial order (the “**Initial CCAA Order**”) was granted by the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), pursuant to which, *inter alia*, KSV Kofman Inc. was appointed as the monitor of the Seller (in such capacity, the “**Monitor**”).
- D. As at January 31, 2018, the Seller is indebted to CEP IV Co-Investment Limited Partnership, Clairvest Equity Partners IV Limited Partnership, Clairvest Equity Partners IV-A Limited Partnership, DA Holdings Limited Partnership and G. John Krediet (the “**Clairvest Convertible Debentureholders**”) pursuant to the Clairvest Convertible Debentures (as defined herein), in the aggregate principal amount of \$72,700,000 (such amount, together with all outstanding interest, fees and costs incurred relating thereto, at any given time, the “**Clairvest Secured Indebtedness Amount**”), which indebtedness is secured by the Clairvest Security Documents (as defined herein).
- E. Pursuant to the DIP Credit Agreement (as defined herein), CEP IV Co-Investment Limited Partnership, an affiliate of Clairvest, has agreed to provide a secured super-priority debtor-in-possession non-revolving credit facility of up to \$12,600,000 (the

- 2 -

indebtedness thereunder, including outstanding interest, fees and costs incurred relating thereto, at any given time, the “**Clairvest DIP Indebtedness Amount**”).

- F. The Buyer and the Clairvest Convertible Debentureholders are affiliates.
- G. The Seller wishes to sell, and the Buyer wishes to purchase as a “stalking horse bidder” pursuant to the Sale Procedures and the Sales Procedures Order (each, as defined herein), the Purchased Assets (as defined herein), subject to the terms and conditions of this Agreement.
- H. The Seller has determined that it is in the best interests of its stakeholders to enter into this Agreement, subject to the terms and conditions herein, and to consummate the transactions contemplated herein on the terms set forth herein.

NOW THEREFORE in consideration of the mutual covenants and agreements contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which are acknowledged), the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement,

- (a) “**affiliate**” of any Person means, at the time such determination is being made, any other Person controlling, controlled by or under common control with such first Person, in each case, whether directly or indirectly through one or more intermediaries, and “control” and any derivation thereof means the control by one Person of another Person in accordance with the following: a Person (“A”) controls another Person (“B”) where A has the power to determine the management and policies of B by contract or status (for example the status of A being the general partner of B) or by virtue of beneficial ownership of a majority of the voting interests in B; and for certainty and without limitation, if A owns shares to which are attached more than 50% of the votes permitted to be cast in the election of directors (or other Persons performing a similar role) of B, then A controls B for this purpose;
- (b) “**Agreement**” means this Asset Purchase Agreement and all attached Schedules, in each case as the same may be supplemented, amended, restated or replaced from time to time, and the expressions “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions refer to this Agreement and all attached Schedules and unless otherwise indicated, references to Articles, Sections and Schedules are to Articles, Sections and Schedules in this Agreement;
- (c) “**Air Tindi**” has the meaning given to such term in Recital B;
- (d) “**Air Tindi Business**” has the meaning given to such term in Recital B;

- 3 -

- (e) “**Air Tindi Shares**” has the meaning given to such term in Section 2.1(b);
- (f) “**Applicable Law**” means any domestic or foreign statute, law (including the common law), ordinance, rule, regulation, restriction, by-law (zoning or otherwise), order, or any consent, exemption, approval or licence of any Governmental Authority, that applies in whole or in part to the Transaction, the Seller, the Buyer, the Business or any of the Purchased Assets;
- (g) “**Approval and Vesting Order**” means the form of Court order attached as Schedule “1.1(g)” hereto, with any amendments thereto to be acceptable to each of Seller and Buyer, each acting reasonably;
- (h) “**Assigned Contracts**” has the meaning given to such term in Section 2.1(c); and
- (i) “**Assumed Liabilities**” has the meaning given to such term in Section 2.2;
- (j) “**Business**” has the meaning given to such term in Recital A;
- (k) “**Business Day**” means any day, other than a Saturday or Sunday, on which the principal commercial banks in Toronto are open for commercial banking business during normal banking hours;
- (l) “**Buyer**” has the meaning given to such term in the preamble to this Agreement;
- (m) “**CCAA**” has the meaning given to such term in Recital C;
- (n) “**CCAA Proceedings**” has the meaning given to such term in Recital C;
- (o) “**Clairvest Convertible Debentureholders**” has the meaning given to such term in Recital D;
- (p) “**Clairvest Convertible Debentures**” means the convertible debentures issued by the Seller on September 23, 2011, and administered by Clairvest GP;
- (q) “**Clairvest Convertible Debentures Indebtedness Assumption Amount**” means the portion of the Clairvest Secured Indebtedness that is to be assumed by the Buyer in partial satisfaction of the Purchase Price, which amount shall be determined pursuant to Section 3.3;
- (r) “**Clairvest DIP Indebtedness Amount**” has the meaning given to such term in Recital E;
- (s) “**Clairvest DIP Indebtedness Assumption Amount**” means the portion of the Clairvest DIP Indebtedness Amount that is to be assumed by the Buyer in partial satisfaction of the Purchase Price, which amount shall be determined pursuant to Section 3.3;
- (t) “**Clairvest GP**” means Clairvest GP Manageco Inc.;

- 4 -

- (u) “**Clairvest Secured Indebtedness Amount**” has the meaning given to such term in Recital D;
- (v) “**Clairvest Security Documents**” means all documents, contracts and agreements pursuant to which Encumbrances have been created or granted to or for the benefit of the debentureholders under the Clairvest Convertible Debentures and/or Clairvest GP to secure payment and performance of the Seller’s obligations to the debentureholders under the Clairvest Convertible Debentures and/or Clairvest GP (including payment of the Clairvest Secured Indebtedness Amount), including debentures, general security agreements, pledges of equity, and aircraft-specific security, charging all or certain present and after-acquired assets, personal property and undertakings of the Seller;
- (w) “**Closing**” means the completion of the Transaction at the Closing Time;
- (x) “**Closing Date**” means July 31, 2018, or such later date as the Parties may agree in writing, acting reasonably;
- (y) “**Closing Documents**” means all contracts, agreements and instruments required by this Agreement to be delivered at or before the Closing;
- (z) “**Closing Time**” means 10:00 a.m. (Toronto time) on the Closing Date or such other time on the Closing Date as the Parties agree in writing that the Closing Time shall take place;
- (aa) “**Confidential Information**” means non-public, confidential, personal or proprietary information which is furnished to a Party by the other Party, including, without limitation, information about identifiable individuals, any information relating to a Party and its Affiliates or any customer or supplier of a Party; provided that “Confidential Information” does not include information that:
 - (i) is or becomes generally available to the public other than as a result of disclosure in breach of this Agreement;
 - (ii) is received by a Party from a third party that obtained it lawfully and was under no duty of confidentiality;
 - (iii) was lawfully in a Party’s possession prior to disclosure thereof by the other Party; or
 - (iv) was independently developed by a Party without use of, or reference to, the other Party’s Confidential Information;
- (bb) “**Contracts**” means contracts, licences, permits, leases, agreements, commitments, entitlements or engagements;
- (cc) “**Court**” has the meaning given to such term in Recital C;

- 5 -

- (dd) “**Court Approval**” means the issuance of the Approval and Vesting Order by the Court;
- (ee) “**Court Orders**” has the meaning given to such term in Section 8.1(c);
- (ff) “**DIP Credit Agreement**” means the debtor-in-possession loan term sheet between CEP IV Co-Investment Limited Partnership and the Seller;
- (gg) “**Encumbrance**” means any security interest, lien, prior claim, charge, hypothec, hypothecation, reservation of ownership, pledge, encumbrance, mortgage or adverse claim of any nature or kind;
- (hh) “**Excluded Liabilities**” has the meaning given to such term in Section 2.2;
- (ii) “**Final**” with respect to any order of any court of competent jurisdiction, means that leave to appeal or reconsideration shall not have been sought in respect of such order and that such order shall not have been stayed, appealed, varied (except with the consent of the Buyer and Seller) or vacated, and all time periods within which leave to appeal and reconsideration could at law be sought shall have expired and all time periods within which such order could at law be appealed shall have expired;
- (jj) “**Governmental Authority**” means any domestic or foreign government, regulatory authority, governmental department, agency, ministry, commission, bureau, court (including the Court), tribunal, judicial body, arbitral body, commission, stock exchange, board or other law, rule or regulation-making entity:
 - (i) having jurisdiction over the Seller, the Buyer, the Transaction or the Purchased Assets on behalf of any country, province, state, municipality or other geographical or political subdivision thereof; or
 - (ii) exercising or entitled to exercise any administrative, judicial, legislative, regulatory or Taxing Authority or power;
- (kk) “**Governmental Authorizations**” means the permits, licences, approvals and authorizations, orders, certificates, consents, directives, notices, licences, permits, variances, registrations or other rights issued to or held or required by the Seller relating to the Business or any of the Purchased Assets by or from any Governmental Authority;
- (ll) “**HST**” means the sales tax payable under the HST Legislation;
- (mm) “**HST Legislation**” means Part IX of the *Excise Tax Act* (Canada);
- (nn) “**IFRS**” means International Financial Reporting Standards;
- (oo) “**including**” and “**includes**” shall be interpreted on an inclusive basis and shall be deemed to be followed by the words “without limitation”;

- 6 -

- (pp) “**Initial CCAA Order**” has the meaning given to such term in Recital C;
- (qq) “**Material Adverse Change**” or “**Material Adverse Effect**” means any change, development, effect, event, circumstance, fact or occurrence that, individually or in the aggregate with such other changes, developments, effects, events, circumstances, facts or occurrences, is, or would reasonably be expected to be, material and adverse to the business, properties, assets, liabilities (contingent or otherwise), condition (financial or otherwise), operations or results of operations of the Seller, the Business, the Air Tindi Business and/or the Purchased Assets, or that prevents or materially delays or would reasonably be expected to prevent or materially delay the Seller from Closing; other than any change, development, effect, event, circumstance, fact or occurrence arising out of, attributable to or resulting from: (A) any action expressly required or permitted by this Agreement or relating to the Seller’s current financial condition, including the CCAA Proceedings; (B) general political, economic or financial conditions in Canada or elsewhere in the world; (C) any change generally affecting the industries in which the Business and/or the Air Tindi Business is conducted (including changes in prices, costs of materials, labor, or shipping, general market prices, or regulatory changes in any such industry); (D) acts of terrorism or war (whether or not declared); (E) any changes to existing Applicable Law (including the interpretation thereof); (F) any changes to IFRS or the adoption, implementation or proposal of any new accounting principles; (G) hurricanes, earthquakes, storms, floods or other natural disasters, epidemics, pandemics, outbreak or escalation of hostilities, the declaration of war, acts or terrorism, or acts of God; (H) any action consented to by the Buyer; (I) any failure by the Seller to meet any projections or estimates (including internal projections or estimates) of revenues, earnings, working capital or performance for any period; or (J) material disposition or change in financial circumstances from a sale under the Sale Procedures;
- (rr) “**Monitor**” has the meaning given to such term in Recital C;
- (ss) “**Monitor’s Certificate**” means the certificate filed with the Court by the Monitor certifying that the Monitor has received written confirmation, in form and substance satisfactory to the Monitor, from the Seller and the Buyer that: (i) all conditions to Closing set forth in Article 6 have been satisfied or waived; and (ii) the Buyer has paid, and the Seller has received, the Purchase Price;
- (tt) “**Parties**” means the Seller and the Buyer collectively, and “**Party**” means either the Seller or the Buyer, as applicable;
- (uu) “**Permitted Encumbrances**” means, with respect to the Purchased Assets:
- (i) Encumbrances imposed by Applicable Law that rank in priority as at the Closing Date to the Encumbrances created by or resulting from the Clairvest Security Documents, including, but not limited to: (i) any applicable Encumbrances in favour of mechanics, labourers, workmen,

- 7 -

builders, contractors, suppliers of goods or services, or other similar Encumbrances incidental to construction, maintenance or repair operations; and (ii) any applicable purchase money security interests under applicable personal property security legislation; and

- (ii) other than for any restrictions in respect of the Transaction, any transfer restrictions on the Air Tindi Shares;
- (vv) “**Person**” means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority or other entity however designated or constituted;
- (ww) “**Purchase Price**” has the meaning given to such term in Section 3.1;
- (xx) “**Purchased Assets**” has the meaning given to such term in Section 2.1;
- (yy) “**Restricted Rights**” has the meaning given to such term in Section 2.3;
- (zz) “**Sale Procedures**” means the sale solicitation process scheduled to the Sale Procedures Order, with any amendments thereto to be acceptable to each of the Seller and the Buyer, each acting reasonably;
- (aaa) “**Sale Procedures Order**” means the form of Court order attached as Schedule “1.1(aaa)” hereto, with any amendments thereto to be acceptable to each of Seller and Buyer, each acting reasonably;
- (bbb) “**Seller**” has the meaning given to such term in the preamble to this Agreement;
- (ccc) “**Tax**” and “**Taxes**” means any and all:
 - (i) taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Authority, including those with respect to goods and services, harmonized sales, transfer, land transfer, use, real or personal property, and registration fees; and
 - (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority on or in respect of amounts of the type described in clause (i) above or this clause (ii);
- (ddd) “**Tax Act**” means the *Income Tax Act* (Canada), as amended and any relevant legislation of a province imposing tax similar to the *Income Tax Act* (Canada);
- (eee) “**Taxing Authority**” means any Governmental Authority, domestic or foreign, having jurisdiction over the assessment, determination, collection, or other imposition of any Tax;

- 8 -

- (fff) “**Transaction**” means, collectively, the of sale and purchase of the Purchased Assets pursuant to this Agreement and all other transactions contemplated by this Agreement that are to occur contemporaneously with the sale and purchase of the Purchased Assets;
- (ggg) “**Transfer Taxes**” has the meaning given to such term in Section 7.4(c);
- (hhh) “**Transition Services**” has the meaning given to such term in Section 7.6; and
- (iii) “**Transition Services Agreements**” has the meaning given to such term in Section 7.6.

1.2 Schedules

The schedules to this Agreement are an integral part of this Agreement.

<u>Schedule</u>	<u>Description</u>
Schedule 1.1(g)	Form of Approval and Vesting Order
Schedule 1.1(aaa)	Sale Procedures Order
Schedule 2.1(c)	Assigned Contracts

1.3 Statutes

Unless specified otherwise, reference in this Agreement to a statute refers to that statute as it may be amended, or to any restated or successor legislation of comparable effect.

1.4 Headings and Table of Contents

The inclusion of headings and a table of contents in this Agreement is for convenience of reference only and shall not affect the construction or interpretation hereof.

1.5 Gender and Number

In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.

1.6 Currency

Except where otherwise expressly provided, all amounts in this Agreement are stated and shall be paid in Canadian dollars.

1.7 Invalidity of Provisions

Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof.

1.8 Entire Agreement

This Agreement and the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties and set out all the covenants, promises, warranties, representations, conditions and agreements between the Parties in connection with the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, pre-contractual or otherwise. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, whether oral or written, pre-contractual or otherwise, express, implied or collateral between the Parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement and any document required to be delivered pursuant to this Agreement.

1.9 Waiver, Amendment

Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless executed in writing by all Parties hereto. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

1.10 Governing Law; Jurisdiction and Venue

This Agreement, the rights and obligations of the Parties under this Agreement, and any claim or controversy directly or indirectly based upon or arising out of this Agreement or the Transaction (whether based on contract, tort, or any other theory), including all matters of construction, validity and performance, shall in all respects be governed by, and interpreted, construed and determined in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein, without regard to the conflicts of law principles thereof. The Parties consent to the exclusive jurisdiction and venue of the Court prior to a Final order of the Court terminating the CCAA Proceedings and thereafter to the Courts of Ontario for the resolution of any disputes arising under this Agreement. Each Party agrees that service of process on such Party as provided in Section 11.6 shall be deemed effective service of process on such Party.

ARTICLE 2 PURCHASE AND SALE

2.1 Agreement to Purchase and Sell Purchased Assets

Upon and subject to the terms and conditions of this Agreement, at the Closing the Seller shall sell, assign, transfer, convey and deliver, and the Buyer shall purchase, free and clear of all Encumbrances other than the Permitted Encumbrances, all of the Seller's right, title and interest in, to and under, or relating to, the assets, property and undertaking, owned by the Seller and used solely in connection with or for the benefit of Air Tindi and the Air Tindi Business (collectively the "**Purchased Assets**"), including, without limitation, the following property, assets and undertaking:

- 10 -

- (a) *Air Tindi Shares* – 1870 issued and outstanding Class A common shares in the capital of Air Tindi (the “**Air Tindi Shares**”), together with any share certificates, powers of attorney, endorsements, rights to purchase or otherwise acquire or obtain any additional shares of, or equity in, Air Tindi, including without limitation, any and all conversion rights in respect thereof, and transfer powers evidencing or in respect of the Air Tindi Shares;
- (b) *Books and Records* – all original books and records, minute books, corporate seals, Tax records, taxpayer and other identification numbers and other documents relating thereto, and records otherwise relating to the organization, maintenance and existence of Air Tindi as a Person or otherwise relating to the Air Tindi Business or any administrative functions in respect thereof (including, without limitation, all books and records relating to any accounting, finance, payroll, human resource, and other administrative functions), and whether in hardcopy or electronic form;
- (c) *Assigned Contracts* – each of the Contracts relating to the Air Tindi Business set out on Schedule 2.1(c) hereto, as such schedule may be amended by Buyer in its sole discretion prior to Closing to add or remove Contracts (provided, for greater certainty, that there shall be no change in the Purchase Price resulting from any such additions or deletions to the schedule) (the “**Assigned Contracts**”);
- (d) *Intercompany and Certain Other Claims* – any and all debts, liabilities, obligations, causes of action and other claims that Seller may have against Air Tindi and the officers and directors of Air Tindi, whether presently existing or contingent, or otherwise based on facts in existence and knowable to the Seller as of the Closing Date; and
- (e) *Other Assets* – any other property, assets and undertaking of the Seller that are specifically identified by the Buyer on or before Closing and that relate solely to the conduct of the Air Tindi Business (provided, for greater certainty, that there shall be no further increase in the Purchase Price resulting therefrom).

2.2 Assumption and/or Satisfaction of Liabilities

The Buyer shall assume and/or establish terms with the applicable lenders in respect of the principal debts of the Seller as of the Closing Date, and shall pay, discharge and perform, as the case may be, from and after the Closing Date the following liabilities and obligations of the Seller (collectively, the “**Assumed Liabilities**”):

- (a) *Obligations under Assigned Contracts, etc.* – all liabilities and obligations (including any cure costs but excluding any post-filing costs, such post-filing costs to be paid by the Seller) under or in respect of the Assigned Contracts;
- (b) *Clairvest Convertible Debentures Indebtedness Assumption* – liabilities and obligations under the Clairvest Convertible Debentures equal to the Clairvest Convertible Debentures Indebtedness Assumption Amount;

- 11 -

- (c) *CIBC Indebtedness* – all liabilities and obligations arising from, or in relation to, the Amended and Restated Credit Agreement among, *inter alia*, the Seller, the Canadian Imperial Bank of Commerce and Air Tindi, as a guarantor, dated May 26, 2015;
- (d) *Element Indebtedness* – all liabilities and obligations arising from, or in relation to, an Aircraft Loan Agreement, dated as of January 31, 2014, as amended, and an Aircraft Loan Agreement, dated of March 31, 2014, each among, *inter alia*, the Seller, Element Financial Corporation and Air Tindi, as a guarantor;
- (e) *RoyNat Indebtedness* – all liabilities and obligations arising from, or in relation to, an Aircraft Loan Agreement, dated as of March 26, 2012, as amended, among, *inter alia*, the Seller, Roynat Inc. and Air Tindi;
- (f) *Intercompany Obligations* – all liabilities and obligations arising from, or in relation to, intercompany transactions between the Seller and Air Tindi; and
- (g) *Permitted Encumbrances* – all liabilities and obligations arising from, or in relation to, the Permitted Encumbrances,

but the Buyer shall not be liable for, or assume, any other obligations or liabilities of the Seller (all such other obligations or liabilities, the “**Excluded Liabilities**”).

2.3 Assignment of Purchased Assets

The Seller and the Buyer shall use their reasonable commercial efforts to obtain prior to the Closing Date any necessary consents or approvals in order to assign the Assigned Contracts. To the extent assignable and transferable to the Buyer, all Assigned Contracts shall be assigned by the Seller to the Buyer on Closing.

Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an agreement to assign or transfer any Purchased Asset or any right thereunder if an attempted assignment or transfer of such Purchased Asset or right thereunder without the consent of a third Person would constitute a breach thereunder (“**Restricted Rights**”), unless: (i) such consent is obtained; or (ii) the assignment has been ordered by the Court. The Seller shall hold any such Restricted Rights in trust for the Buyer until such time as consent and/or approval has been obtained, to the extent applicable. If a consent to transferring the Restricted Rights to the Buyer is not obtained, or such assignment is not attainable, the Seller and the Buyer will cooperate and use their respective commercially reasonable efforts to implement a mutually agreeable arrangement pursuant to which the Buyer will obtain the benefits and assume the liabilities and obligations related to such Restricted Rights in accordance with this Agreement including, at the election and expense of the Buyer, applying to the Court before or after Closing for an order compelling the assignment and for related relief, including, without limitation, pursuant to Section 11.3 of the CCAA.

The Seller and the Buyer shall use their reasonable commercial efforts to obtain prior to the Closing Date any necessary consents or approvals arising from, or in relation to, any change of control provisions in Contracts of Air Tindi. If any such consent or approval is not obtained,

- 12 -

or any such consent or approval is not attainable, the Seller and the Buyer will cooperate and use their respective commercially reasonable efforts to implement a mutually agreeable arrangement pursuant to which Air Tindi will continue to enjoy the benefits of, and remain liable and obligated under, such Contracts of Air Tindi, including, at the election and expense of the Buyer, applying to the Court before or after Closing for an order compelling, overriding, or obviating the need to obtain, any such approval or consent and for related relief.

In the event that the Transaction is subject to a consent requirement pursuant to any Contract of Air Tindi so as not to be in breach of, or to otherwise permit the termination of, such Contract, the Seller and the Buyer shall use their reasonable commercial efforts to obtain any such consent on or before Closing.

To the extent that the Seller would incur any out-of-pocket costs and expenses after the Closing Time in order to comply with a specific obligation under this Section 2.3, the Seller shall not have to incur such out-of-pocket costs and expenses to comply with such obligation unless the Buyer shall have provided the Seller with the funds necessary to pay such out-of-pocket costs and expenses.

Notwithstanding the foregoing: (i) nothing in this Section 2.3 shall require the Seller to renew any Restricted Rights once they have expired; and (ii) any efforts required of the Seller pursuant to this Section 2.3 shall be strictly on an interim basis and in no event be required to continue for more than 120 days following the Closing Date.

2.4 Excluded Obligations

Other than the Assumed Liabilities, the Buyer shall not assume and shall not be liable, directly or indirectly, or otherwise responsible for any debts, liabilities or other obligations of the Seller to any Person.

2.5 “As is, Where Is”

The Buyer acknowledges and agrees that all of the Purchased Assets are being purchased on an “as is, where is” basis as they shall exist at Closing. Unless and solely to the extent expressly set forth in this Agreement, no representation, warranty or covenant is expressed or implied by the Seller, including any warranties as to title, encumbrances, description, merchantability or fitness for a particular purpose, environmental compliance, condition, quantity or quality, or in respect of any other matter or thing whatsoever concerning the Business, the Air Tindi Business and/or the Purchased Assets or the right of the Seller to sell or assign the same. Without limiting the generality of the foregoing, any and all conditions, warranties, or representations expressed or implied pursuant to the *Sale of Goods Act* (Ontario), as amended, or similar legislation do not apply hereto and have been waived by the Buyer. This Section 2.5 shall not merge on Closing and is deemed incorporated by reference into all Closing Documents and deliveries.

ARTICLE 3

PURCHASE PRICE AND RELATED MATTERS

3.1 Purchase Price

The purchase price payable by the Buyer to the Seller for the Purchased Assets (the “**Purchase Price**”) shall be: (i) the amount of the Clairvest DIP Indebtedness Assumption Amount; plus (ii) the Clairvest Convertible Debentures Indebtedness Assumption Amount, which amounts, in the aggregate, total \$19,765,000; plus (iii) the amount of the Assumed Liabilities (less each of the Clairvest DIP Indebtedness Assumption Amount and the Clairvest Convertible Debentures Indebtedness Assumption Amount). The Buyer shall satisfy the Purchase Price at the Closing Time by: (i) assuming liabilities and obligations under the DIP Credit Agreement equal to the Clairvest DIP Indebtedness Assumption Amount; (ii) assuming liabilities and obligations under the Clairvest Convertible Debentures equal to the Clairvest Convertible Debentures Indebtedness Assumption Amount; and (iii) assuming and/or providing for the satisfaction of the Assumed Liabilities (less each of the Clairvest DIP Indebtedness Assumption Amount and the Clairvest Convertible Debentures Indebtedness Assumption Amount).

On or before Closing, the Buyer shall have the right, but not the obligation, to assume additional Clairvest DIP Indebtedness Amounts and/or Clairvest Secured Indebtedness Amounts that are not otherwise assumed by the Buyer pursuant to the preceding paragraph.

3.2 Purchase Price Allocation Among Purchased Assets

The Purchase Price shall be allocated among each class of Purchased Assets as agreed by the Parties on or before Closing, acting reasonably. Such allocation shall be binding and the Buyer and the Seller shall each report the purchase and sale of the Purchased Assets for all tax purposes in a manner consistent with such allocation, and will complete and file all tax returns, designations, elections and filings that are necessary or desirable under the Tax Act to give effect to such allocations and shall not take any position or action inconsistent with such allocation.

3.3 Purchase Price Allocation Between Purchase Price Components

The Purchase Price (other than the Assumed Liabilities component described in Section 3.1(iii)) shall be allocated between the Clairvest Convertible Debentures Indebtedness Assumption Amount and the Clairvest DIP Indebtedness Assumption Amount, as determined by the Buyer, in its sole discretion, on or before Closing. Such allocation shall be binding and the Buyer and the Seller shall each report the purchase and sale of the Purchased Assets for all tax purposes in a manner consistent with such allocation, and will complete and file all tax returns, designations, elections and filings that are necessary or desirable under the Tax Act to give effect to such allocations and shall not take any position or action inconsistent with such allocation.

- 14 -

ARTICLE 4
REPRESENTATIONS AND WARRANTIES BY THE SELLER

The Seller represents and warrants to the Buyer and acknowledges that the Buyer is relying upon the following representations and warranties in connection with its purchase of the Purchased Assets the matters set out below:

4.1 Existence

The Seller is duly incorporated, organized and existing under the laws of its jurisdiction of organization. Air Tindi is duly organized and validly existing under the laws of its jurisdiction of organization.

4.2 Recitals

The Recitals hereto are true and correct as of the date of this Agreement.

4.3 Due Authorization and Enforceability of Obligations

Subject to Court Approval being obtained, the Seller has all necessary power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement. The execution and delivery of each of this Agreement, the Closing Documents and the consummation of the Transaction has been duly authorized by all necessary corporate action of the Seller. This Agreement has been, and at the Closing Time the Closing Documents will be, duly executed and delivered by the Seller and constitutes a valid and binding obligation of the Seller enforceable against it in accordance with its terms, as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization and similar laws affecting creditors generally and by general principles of equity.

4.4 Right to Sell, and Title to, Purchased Assets

The Seller is the registered and/or beneficial owner of the Purchased Assets, with good and marketable title thereto. At the Closing, the Seller shall convey to the Buyer all of the Seller's right, title and interest in and to the Purchased Assets free and clear of all Encumbrances except for Permitted Encumbrances, except with respect to any Assigned Contracts for which consent of a third Person is required for an assignment of such Contract and has not been obtained at the Closing Time.

4.5 Air Tindi Shares

Other than the Clairvest Convertible Debentureholders, the Canadian Imperial Bank of Commerce, Element Financial Corporation and RoyNat Inc., the Air Tindi Shares have not been pledged by the Seller to any Person. The Seller does not hold and has not at any time granted to any Person: (i) any presently outstanding rights or privileges to acquire any unissued equity of Air Tindi; (ii) any right to purchase or otherwise acquire all or any part of the Air Tindi Shares; or (iii) any presently outstanding options, warrants, stock plans or other instruments convertible into equity or other securities of Air Tindi or pursuant to which any Person may acquire equity or other securities of Air Tindi.

4.6 Absence of Conflicts

Except for Court Approval, the Seller is not a party to, bound or affected by or subject to any provision in its articles, by-laws or other constating documents or Applicable Laws or Governmental Authorizations that would be violated, breached by, or under which any default would occur or with notice or the passage of time would be created as a result of the execution and delivery of, or the performance of obligations under, this Agreement or any Closing Documents to be entered into or delivered under the terms of this Agreement, except for any violations, breaches or defaults or any Applicable Laws or Governmental Authorizations that would not have a Material Adverse Effect on the conduct of the Business or on the ability of the Seller to consummate the Transaction.

4.7 Approvals and Consents

Except for: (a) Court Approval; (b) any consent required in connection with the assignment of any Assigned Contract or any Purchased Asset; and (c) any consent or approval arising from, or in relation to, any change of control provisions in Contracts of Air Tindi, no authorization, consent or approval of, or filing with or notice to, any Governmental Authority or any other Person is required in connection with the execution, delivery or performance of this Agreement by the Seller and each of the Closing Documents to be executed and delivered by the Seller hereunder or the purchase of any of the Purchased Assets hereunder.

4.8 Residence of the Seller

The Seller is not a non-resident of Canada within the meaning of section 116 of the Tax Act.

4.9 HST Registration

The Seller is registered for purposes of HST Legislation and will provide its registration numbers to the Buyer.

4.10 Brokers

No broker, finder or investment banker is entitled to any brokerage commission, finder's fee or other similar payment in connection with the Transaction based upon arrangement made by or on behalf of the Seller.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF THE BUYER

The Buyer represents and warrants to the Seller as follows, and acknowledges that the Seller is relying upon the following representations and warranties in connection with its sale of the Purchased Assets:

5.1 Existence

The Buyer is duly organized and validly existing under the laws of its jurisdiction of organization.

5.2 Recitals

The Recitals hereto are true and correct as of the date of this Agreement.

5.3 Due Authorization and Enforceability of Obligations

The Buyer has all necessary power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement. The execution and delivery of this Agreement and the consummation of the Transaction have been duly authorized by all necessary action of the Buyer. This Agreement has been duly executed and delivered by the Buyer and constitutes a valid and binding obligation of the Buyer enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization and similar laws affecting creditors generally and by general principles of equity. At the Closing Time, the Closing Documents required by this Agreement to be delivered by the Buyer will be duly executed and delivered by the Buyer and will constitute a valid and binding obligation of the Buyer enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization and similar laws affecting creditors generally and by general principles of equity.

5.4 Absence of Conflicts

The Buyer is not a party to, bound or affected by or subject to any provision in its articles, by-laws or other constating documents or Applicable Laws or governmental authorizations, approvals, franchises, orders, certificates, consents, directives, notices, licences, permits, variances, registrations or other rights issued, granted or given by or from any Governmental Authority that would be violated, breached by, or under which any default would occur or with notice or the passage of time would, be created as a result of the execution and delivery of, or the performance of obligations under, this Agreement or any other agreement or document to be entered into or delivered under the terms of this Agreement, except for any violations, breaches or defaults or any Applicable Laws or any governmental authorizations, approvals, orders, certificates, consents, directives, notices, licences, permits, variances, registrations or other rights issued, granted or given by or from any Governmental Authority, that would not have a material and adverse effect on the ability of the Buyer to consummate the transactions hereunder.

5.5 Approvals and Consents

Except for: (a) Court Approval; (b) any consent required in connection with the assignment of any Assigned Contract or any Purchased Asset; and (c) any consent or approval arising from, or in relation to, any change of control provisions in Contracts of Air Tindi, no authorization, consent or approval of, or filing with or notice to, any Governmental Authority or any other Person is required in connection with the execution, delivery or performance of this

- 17 -

Agreement by the Buyer and each of the Closing Documents to be executed and delivered by the Buyer hereunder or the purchase of any of the Purchased Assets hereunder.

5.6 Residence of the Buyer

The Buyer is not a non-resident of Canada within the meaning of section 116 of the Tax Act.

5.7 HST Registration

The Buyer, or its assignee(s) acquiring the Purchased Assets, is, or at the Closing Time will be, registered for purposes of HST Legislation and will provide its registration numbers to the Seller.

5.8 *Investment Canada Act*

The Buyer is (a) either a “Canadian” or “WTO investor” within the meaning of the *Investment Canada Act*; and (b) is not a “state-owned enterprise” within the meaning of the *Investment Canada Act*.

5.9 No Additional Due Diligence

The Buyer acknowledges and agrees that: (a) it has had an opportunity to conduct any and all due diligence regarding the Purchased Assets and the Business prior to the execution of this Agreement; (b) it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Purchased Assets and/or the Business; (c) it is not relying upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied, (by operation of law or otherwise), regarding the Purchased Assets or the Business or the completeness of any information provided in connection therewith, except as expressly stated in this Agreement; and (d) the obligations of the Buyer under this Agreement are not conditional upon any additional due diligence.

5.10 Brokers

No broker, finder or investment banker is entitled to any brokerage commission, finder’s fee or other similar payment in connection with the Transaction based upon arrangement made by or on behalf of the Buyer.

ARTICLE 6 CONDITIONS

6.1 Conditions for the Benefit of the Buyer and the Seller

The respective obligations of the Buyer and of the Seller to consummate the Transaction are subject to the satisfaction of, or compliance with, at or prior to the Closing Time, each of the following conditions for their mutual benefit:

- 18 -

- (a) no provision of any Applicable Law and no judgment, injunction, order or decree that prohibits the consummation of the Transaction pursuant to this Agreement shall have been issued and in effect;
- (b) no motion, action or proceedings shall be pending by or before a Governmental Authority to restrain or prohibit the completion of the Transaction;
- (c) the Sale Procedures Order shall have been issued and entered on or before April 4, 2018, or on or before such later date as the Parties agree to in writing, and shall be Final;
- (d) this Agreement is the Successful Bid (as defined in the Sale Procedures);
- (e) the Approval and Vesting Order shall have been issued and entered on or before June 28, 2018, or on or before such later date as the Parties agree to in writing, and shall be Final;
- (f) the Court shall not have permanently declined to grant the Approval and Vesting Order; and
- (g) the Buyer shall sign, and be bound by the terms of all shareholders' agreements in respect of Air Tindi.

If the conditions set out in this Section 6.1 are not satisfied, performed or mutually waived on or before the Closing Date, either Party shall have the option to terminate this Agreement upon written notice to the other Party.

6.2 Conditions for the Benefit of the Buyer

The obligation of the Buyer to consummate the Transaction is subject to the satisfaction of, or compliance with, or waiver by the Buyer of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Buyer):

- (a) the representations and warranties of the Seller set forth in this Agreement shall be true and correct at the Closing Time with the same force and effect as if made at and as of such time, except where any failure or failures of any such representations and warranties to be so true and correct would not, individually or in the aggregate, cause a Material Adverse Change (and, for this purpose, any reference to "material", "Material Adverse Change" or any other concept of materiality in such representations and warranties shall be ignored);
- (b) the covenants contained in this Agreement to be performed by the Seller at or prior to the Closing Time shall have been performed in all material respects as at the Closing Time;
- (c) after the date of this Agreement and before the Closing Time, there shall not have occurred any Material Adverse Change;

- 19 -

- (d) the Buyer shall have received on Closing a certificate confirming the satisfaction of the conditions contained in Sections 6.2(a) and 6.2(b), signed for and on behalf of the Seller without personal liability by an executive officer of the Seller or other Persons reasonably acceptable to the Buyer, in each case in form and substance reasonably satisfactory to the Buyer;
- (e) the Closing Documents, all other documents relating to the due authorization and completion of the Transaction and all actions and proceedings taken on or prior to the Closing in connection with the performance by the Seller of its obligations under this Agreement shall be satisfactory to the Buyer, acting reasonably, and the Buyer shall have received copies of all such documents and evidence that all such actions and proceedings have been taken as it may reasonably request in form and substance reasonably satisfactory to the Buyer;
- (f) the Purchased Assets shall be assigned and transferred to the Buyer free and clear of all Encumbrances other than Permitted Encumbrances in accordance with the Approval and Vesting Order, and the releases or discharges of all Encumbrances other than Permitted Encumbrances against the Purchased Assets, including any Court-ordered charges in the CCAA Proceedings, shall have been obtained in form and substance satisfactory to the Buyer, acting reasonably;
- (g) if, in its sole discretion, the Buyer has required the entry into one or more Transition Services Agreements, then all such Transition Services Agreements shall have been entered into among the Buyer, the Seller, Air Tindi and the Seller's other subsidiaries, or any combination thereof, each in form and substance acceptable to the Buyer, acting reasonably;
- (h) the Seller shall not have repudiated or terminated the Services Agreement made as of March 21, 2018, among the Seller and its subsidiaries, and shall not have ceased performing its obligations thereunder; and
- (i) since the date first written above, no Material Adverse Change shall have occurred.

Any condition in this Section 6.2 may be waived by the Buyer in whole or in part, without prejudice to its rights of termination in the event of non-fulfillment of any other condition in whole or in part. If any condition set out in this Section 6.2 is not satisfied, performed or waived on or prior to the date specified therefor, the Buyer may elect on written notice to the Seller to terminate this Agreement.

6.3 Conditions for the Benefit of the Seller

The obligation of the Seller to consummate the Transaction is subject to the satisfaction of, or compliance with, or waiver where applicable, by the Seller of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Seller):

- 20 -

- (a) the representations and warranties of the Buyer set forth in this Agreement shall be true and correct in all material respects at the Closing Time with the same force and effect as if made at and as of such time;
- (b) the covenants contained in this Agreement to be performed by the Buyer at or prior to the Closing Time shall have been performed in all material respects as at the Closing Time;
- (c) the Seller shall have received on Closing a certificate confirming the satisfaction of the conditions contained in Sections 6.3(a) and 6.3(b) signed for and on behalf of the Buyer without personal liability by an executive officer of the Buyer or other persons reasonably acceptable to the Seller, in each case in form and substance reasonably satisfactory to the Seller; and
- (d) all other Closing Documents required pursuant to this Agreement to be delivered by the Buyer on Closing in form and substance reasonably satisfactory to the Seller.

Any condition in this Section 6.3 may be waived by the Seller in whole or in part, without prejudice to its rights of termination in the event of non-fulfillment of any other condition in whole or in part. If any condition set out in this Section 6.36.2 is not satisfied, performed or waived on or prior to the date specified therefor, the Seller may elect on written notice to the Buyer to terminate this Agreement.

ARTICLE 7 ADDITIONAL AGREEMENTS OF THE PARTIES

7.1 Access to Information

Until the Closing Time, and subject to the terms and conditions of the Sale Procedures and the Sale Procedures Order, the Seller shall give to the Buyer's personnel engaged in the Transaction and their accountants, advisers, consultants and representatives during normal business hours reasonable access to its premises and to all of the books and records relating to the Business and the Purchased Assets, and the Seller shall furnish them with all such information relating to the Business and the Purchased Assets as the Buyer may reasonably request in connection with the Transaction, and shall coordinate reasonable access by the Buyer to the customers and suppliers of the Business. Notwithstanding anything in this Section 7.1 to the contrary, any such investigation shall be conducted upon reasonable advance notice and in such manner as does not materially disrupt the conduct of the Business. The Seller shall also deliver to the Buyer authorizations to Governmental Authorities necessary to permit the Buyer to obtain information in respect of the Purchased Assets from the files of such Governmental Authorities.

7.2 Covenant Regarding Confidential Information

On or prior to Closing, the Seller shall request any Person that was furnished Confidential Information of the Seller in accordance with the Sale Procedures to return or destroy all such information.

7.3 Further Assurances

Each of the Parties hereto shall promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other Parties hereto may reasonably require from time to time for the purpose of giving effect to this Agreement and shall use commercially reasonable efforts and take all such steps as may be reasonably within its power to implement to their full extent the provisions of this Agreement. Upon and subject to the terms and conditions of this Agreement and subject to the directions of any applicable courts to the Seller, the Parties shall use their commercially reasonable efforts to take or cause to be taken all actions and to do or cause to be done all things necessary proper or advisable under Applicable Laws to consummate and make effective the Transaction, including using commercially reasonable efforts to satisfy the conditions precedent to the obligations of the Parties hereto.

7.4 Tax Matters

- (a) The Buyer and the Seller agree to use commercially reasonable efforts to furnish or cause to be furnished to each other, as promptly as practicable, such information and assistance relating to the Purchased Assets as is reasonably necessary for the preparation and filing of any Tax return, claim for refund or other required or optional filings relating to Tax matters, for the preparation for and proof of facts during any Tax audit, for the preparation for any Tax protest, for the prosecution of any suit or other proceedings relating to Tax matters and for the answer to any governmental or regulatory inquiry relating to Tax matters.
- (b) For purposes of any Tax return related to the Transaction, the Buyer and, to the extent applicable, the Seller, agree to report the Transaction in a manner consistent with the Purchase Price allocation determined in accordance with Section 3.2, and the Buyer and the Seller shall not voluntarily take any action inconsistent therewith in any such Tax return, refund claim, litigation or otherwise, unless required by applicable Tax laws. The Buyer and the Seller shall each be responsible for the preparation of their own statements required to be filed under the Tax Act and other similar forms in accordance with applicable Tax laws.
- (c) All amounts payable by the Buyer to the Seller pursuant to this Agreement are exclusive of any HST, or any other federal, provincial, state or local or foreign value-added, sale, use, consumption, multi-staged, ad valorem, personal property, customs, excise, stamp, transfer, land or real property transfer, or similar Taxes, duties, or charges, or any recording or filing fees or similar charges (collectively, "**Transfer Taxes**"). All Transfer Taxes are the responsibility of and for the account of the Party required to pay such taxes under Applicable Laws. The Buyer and the Seller agree to cooperate to determine the amount of Transfer Taxes payable in connection with the Transaction. If the Seller is required by Applicable Law or by administration thereof to collect any applicable Transfer Taxes from the Buyer, the Buyer shall pay such amounts to the Seller concurrent with the payment of any consideration payable pursuant to this Agreement, and

- 22 -

the Seller shall remit or account for such Transfer Taxes to the applicable Governmental Authority on a timely basis and otherwise in accordance with Applicable Laws.

- (d) The Seller shall not be required to deliver any certificates to the Buyer under section 6 of the *Retail Sales Tax Act* (Ontario) or under any similar provision contained in any other Applicable Law in respect of the Transfer Taxes.

7.5 Fees and Expenses

Except as expressly provided in this Agreement, all fees and expenses incurred in connection with the negotiation and settlement of this Agreement and the completion of the Transaction, including the fees and disbursements of counsel, financial advisors and accountants, shall be paid by the Person incurring such fees or expenses.

7.6 Transition Services

The Seller shall provide the Buyer with transition services relating to: (i) record keeping, financial, tax and other reporting obligations and other general administrative services as reasonably requested by the Buyer; and (ii) shared Contracts, services and assets both between the Seller and Air Tindi and among the Seller, Air Tindi and one or more of the Seller's other subsidiaries, or between or among any combination of the foregoing parties (the "**Transition Services**"). The Buyer, in its sole discretion, may require that one or more agreements in respect of the Transition Services be entered into among the Buyer, the Seller, Air Tindi and the Seller's other subsidiaries, or any combination thereof, each in form and substance acceptable to the Buyer, acting reasonably, that are necessary or desirable for the operation of the Air Tindi Business, including, without limitation, in the event that affiliates of the Buyer are not the successful bidders in other sales processes for the Seller's assets conducted in the CCAA Proceedings (such agreements, the "**Transition Services Agreements**").

ARTICLE 8 COURT ORDERS

8.1 Court Orders

- (a) As soon as reasonably possible after the execution of this Agreement, the Seller shall file a motion with the Court for the issuance of, and shall use its best efforts to obtain, the Sale Procedures Order. Such motion shall be scheduled for a date that is on or before April 4, 2018, subject to the availability of the Court.
- (b) Within the time period provided for in the Sale Procedures, and provided that the Buyer is the Successful Bidder (as defined in the Sale Procedures), the Seller shall file a motion with the Court for the issuance of, and shall use its best efforts to obtain, the Approval and Vesting Order. Such motion shall be scheduled for a date that is on or before June 28, 2018, subject to the availability of the Court.
- (c) The Buyer shall use its best efforts to obtain any order or relief described in Section 2.3 (such orders and relief, together with the Sale Procedures Order and

- 23 -

the Approval and Vesting Order, collectively, the “**Court Orders**”). The Buyer shall cooperate with the Seller acting reasonably, as may be necessary, in obtaining the Court Orders, as applicable.

- (d) The Buyer and its legal counsel shall be given a reasonable opportunity to review and comment on:
- (i) the Seller’s motion materials for the issuance of the Sale Procedures Order; and
 - (ii) to the extent that the Buyer is the Successful Bidder, (A) the Seller’s motion materials for the issuance of the Approval and Vesting Order; and (B) any other materials prepared by the Seller in connection with obtaining the Court Orders (for greater certainty, not including any report or materials filed by the Monitor),

which shall be in form and substance satisfactory to the Buyer prior to being served.

- (e) Notice of the motions seeking the issuance and entry of the Court Orders shall be served by the Seller on all Persons required to receive notice under Applicable Laws and the requirements of the Court, and any other Person determined necessary or advisable by the Seller or the Buyer.

ARTICLE 9 TERMINATION

9.1 Termination

This Agreement may be terminated at any time prior to Closing upon the occurrence of any of the following:

- (a) by mutual written consent of the Seller and the Buyer;
- (b) if the Buyer is not the Successful Bidder, by either party upon the earlier of: (i) thirty (30) days after the Bid Deadline (as defined in the Sale Procedures); and (ii) approval by the Court of the Accepted Bid (as defined in the Sale Procedures), provided, however, in the event that the Buyer is the Backup Bidder (as defined in the Sale Procedures), the Buyer may not terminate this Agreement until the closing of the Transaction with the Successful Bidder (as defined in the Sale Procedures);
- (c) by either Party (provided such Party is not in breach of its obligations under this Agreement so as to have caused a closing condition not to be fulfilled), upon written notice to the other, if any condition in Section 6.1 is unsatisfied as of the Closing Date;

- 24 -

- (d) by the Seller (provided that the Seller is not in breach of its obligations under this Agreement so as to have caused a closing condition not to be fulfilled), upon written notice to the Buyer, if any condition in Section 6.3 is unsatisfied on the Closing Date and such violation or breach has not been waived by the Seller or cured by the Buyer within three (3) Business Days after written notice thereof from the Seller to the Buyer; and
- (e) by the Buyer (provided that the Seller is not in breach of its obligations under this Agreement so as to have caused a closing condition not to be fulfilled), upon written notice to the Seller, if any condition in Section 6.2 is unsatisfied on the Closing Date and such violation or breach has not been waived by the Buyer or cured by the Seller within three (3) Business Days after written notice thereof from the Buyer to the Seller.

9.2 Effect of Termination

In the event of termination of this Agreement pursuant to Section 9.1, this Agreement shall forthwith become null and void, except as set forth in Section 9.2 and and Article 11, and nothing herein shall relieve any Party from liability for any breach of this Agreement, or to impair the right of any Party to compel specific performance by any other Party of its obligations under this Agreement.

ARTICLE 10 CLOSING

10.1 Location and Time of Closing

The Closing shall take place at the Closing Time on the Closing Date at the Toronto, Ontario offices of Torys LLP, or at such other location as may be agreed upon in writing by the Parties hereto.

10.2 Closing Deliveries

- (a) At the Closing, the Seller shall deliver to the Buyer:
 - (i) the documents required to be delivered by the Seller pursuant to Sections 6.1 and 6.2;
 - (ii) the consents and approvals required to be obtained pursuant to Section 2.3;
 - (iii) one of more bills of sale or general or specific conveyances with respect to the conveyance of the Purchased Assets, in each case executed by the Seller;
 - (iv) to the extent required to be executed by the Seller, an instrument of assumption of liabilities with respect to the Assumed Liabilities;

- 25 -

- (v) actual possession of the Purchased Assets to the Buyer (including the Air Tindi Shares); and
 - (vi) any other documents reasonably requested by the Buyer in order to effect or evidence the consummation of the Transaction or otherwise provided for under this Agreement.
- (b) At the Closing, the Buyer shall deliver to the Seller:
- (i) evidence of the satisfaction of the Purchase Price as provided for in Section 3.1, in form and substance satisfactory to the Seller, acting reasonably;
 - (ii) a document specifying the Purchase Price allocation for tax purposes, as provided for in Section 3.2;
 - (iii) a document specifying the allocation of the Purchase Price (other than the Assumed Liabilities component described in Section 3.1(iii)) between the Clairvest Convertible Debentures Indebtedness Assumption Amount and the Clairvest DIP Indebtedness Assumption Amount, as provided for in Section 3.3;
 - (iv) to the extent required to be executed by the Buyer, one or more bills of sale or general or specific conveyances with respect to the conveyance of the Purchased Assets;
 - (v) an instrument of assumption of liabilities with respect to liabilities and obligations under the DIP Credit Agreement equal to the Clairvest DIP Indebtedness Assumption Amount;
 - (vi) an instrument of assumption of liabilities with respect to liabilities and obligations under the Clairvest Convertible Debentures equal to the Clairvest Convertible Debentures Indebtedness Assumption Amount;
 - (vii) an instrument of assumption of liabilities with respect to, and/or an instrument providing for the satisfaction of, the Assumed Liabilities (less each of the Clairvest DIP Indebtedness Assumption Amount and the Clairvest Convertible Debentures Indebtedness Assumption Amount);
 - (viii) evidence of payment of Transfer Taxes required by Applicable Law to be collected by the Seller, or, alternatively, if applicable, the election(s) referred to in Section 7.4, executed by the Buyer;
 - (ix) the documents required to be delivered by the Buyer pursuant to Section 6.3; and

- 26 -

- (x) any other documents reasonably requested by the Seller in order to effect or evidence the consummation of the Transaction or otherwise provided for under this Agreement.

10.3 Monitor's Certificate

The Parties hereby acknowledge and agree that the Monitor will be entitled to file the Monitor's Certificate with the Court without independent investigation upon receiving written confirmation from the Seller and the Buyer that: (i) all conditions to Closing set forth in Article 6 have been satisfied or waived, and (ii) the Buyer has paid or satisfied, and the Seller has received or received the benefit of, the Purchase Price, and the Monitor will have no liability to the Seller or the Buyer or any other Person as a result of filing the Monitor's Certificate or otherwise in connection with this Agreement or the transactions contemplated hereunder (whether based on contract, tort or any other theory).

ARTICLE 11 GENERAL MATTERS

11.1 Confidentiality

- (a) Except to the extent otherwise specifically provided in this Section 11.1, each Party, on behalf of itself and its affiliates, agrees to keep the other Party's Confidential Information confidential and not to use the other Party's Confidential Information in any manner except as required to perform the obligations set out in this Agreement. Each Party agrees to be responsible for any breach of this Section 11.1 by any of its affiliates and its and their respective directors, employees, advisors, agents and representatives.
- (b) Notwithstanding anything to the contrary herein, each Party maintains the right to disclose the other Party's Confidential Information if required to do so by Applicable Laws or requirement of a Governmental Authority, or to appropriate Tax authorities in order to describe the tax treatment and tax structure of the Transaction; provided that the disclosure of such Confidential Information will be limited only to that purpose and provided further that it will use reasonable efforts to cooperate with the other Party in limiting the disclosure of the Confidential Information.
- (c) At the other Party's request, a Party will destroy all of the other Party's Confidential Information, provided that it is permitted to retain one copy of any Confidential Information to the extent required by Applicable Laws or its internal record keeping policies.
- (d) Any Confidential Information of the Seller that constitutes part of the Purchased Assets will cease to be Confidential Information of the Seller and will become Confidential Information of the Buyer on Closing.

11.2 Public Notices

No press release or other announcement concerning the Transaction shall be made by the Seller or by the Buyer without the prior consent of the other (such consent not to be unreasonably withheld); provided, however, that subject to the last sentence of this Section 11.2, any Party may, without such consent, make such disclosure if the same is required by Applicable Law (including the CCAA Proceedings) or by any insolvency or other court or securities commission or other similar regulatory authority having jurisdiction over such Party or any of its affiliates, and, if such disclosure is required, the Party making such disclosure shall use commercially reasonable efforts to give prior oral or written notice to the other, and if such prior notice is not possible, to give such notice immediately following the making of such disclosure. Notwithstanding the foregoing: (i) this Agreement may be filed by the Seller with the Court; (ii) the Transaction may be disclosed by the Seller to the Court, subject to redacting confidential or sensitive information as permitted by Applicable Laws; and (iii) the Seller may communicate freely with the Monitor as and to the extent required in connection with the CCAA Proceedings, the Sale Procedure and the Court Orders. The Parties further agree that:

- (a) the Seller may prepare and file reports and other documents with the Court containing references to the Transaction and the terms thereof, including for the purpose of obtaining the Court Orders; and
- (b) the Seller and their professional advisors may prepare and file such reports and other documents in the CCAA Proceedings containing references to the Transaction and the terms thereof as may reasonably be necessary to complete the Transaction or to comply with their obligations in connection therewith. Wherever possible, the Buyer shall be afforded an opportunity to review and comment on such materials prior to their filing.

Each of the Parties may issue a press release announcing the execution and delivery of this Agreement, in form and substance mutually agreed to by all of the Parties.

11.3 Survival

The representations and warranties of the Seller in this Agreement or in any agreement, document or certificate delivered pursuant to or in connection with this Agreement or the Transaction are set forth solely for the purpose of Section 6.2 and none of them shall survive Closing. The Seller shall have no liability, whether before or after the Closing, for any breach of the Seller's representations, and the Buyer acknowledges that its exclusive remedy for any such breach shall be termination of this Agreement prior to the Closing (but only if permitted by Section 9.1).

11.4 Non-Recourse

No past, present or future director, officer, employee, incorporator, member, partner, stockholder, affiliate, agent, attorney or representative of the respective Parties hereto, in such capacity, shall have any liability for any obligations or liabilities of the Buyer or the Seller, as applicable, under this Agreement or for any claim based on, in respect of, or by reason of, the Transaction.

11.5 Assignment; Binding Effect

No Party may assign its right or benefits under this Agreement without the consent of the other Party hereto, except that without such consent the Buyer may: (i) assign any or all of its rights and obligations hereunder to one or more of its subsidiaries or affiliates; or (ii) direct that title to all or some of the Purchased Assets be transferred to one or more of its subsidiaries or affiliates, provided that no such assignment or direction shall relieve the Buyer of its obligations hereunder; provided further that if the Buyer shall have assigned all of its rights and obligations hereunder the Buyer shall, immediately following the Closing, be deemed fully released from all of the Buyer's obligations hereunder. References to the Buyer's residency for Tax purposes and to the Buyer's status under the Investment Canada Act are references to the ultimate Buyer. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective permitted successors and permitted assigns. Nothing in this Agreement shall create or be deemed to create any third Person beneficiary rights in any Person or entity not a Party to this Agreement other than the third party beneficiaries of Section 11.4 hereof.

11.6 Notices

Any notice, request, demand or other communication required or permitted to be given to a Party pursuant to the provisions of this Agreement will be in writing and will be effective and deemed given under this Agreement on the earliest of: (i) the date of personal delivery; (ii) the date of transmission by email, with confirmed transmission and receipt (if sent during normal business hours of the recipient, if not, then on the next Business Day); (iii) two days after deposit with a nationally-recognized courier or overnight service such as Federal Express; or (iv) five days after mailing via certified mail, return receipt requested. All notices not delivered personally or by facsimile will be sent with postage and other charges prepaid and properly addressed to the Party to be notified at the address set forth for such Party:

- (a) If to the Buyer at:

c/o Clairvest Group Inc.
22 St. Clair Avenue East
Suite 1700
Toronto, Ontario M4T 2S3

Attention: James H. Miller, General Counsel and Corporate Secretary
Email: jmiller@clairvest.com

with copies (which shall not in itself constitute notice) to:

Torys LLP
TD Centre
79 Wellington Street West, 30th Floor
Toronto, Ontario M5K 1N2

Attention: David Bish / Adam Slavens
Email: dbish@torys.com / aslavens@torys.com

- 29 -

(b) If to the Seller at:

Discovery Air Inc.
170 Attwell Drive, Suite 370
Toronto, Ontario M9W 5Z5

Attention: David Kleiman
Email: david.kleiman@discoveryair.com

with copies (which shall not in itself constitute notice) to:

Goldman Sloan Nash & Haber LLP
480 University Ave Suite 1600
Toronto, Ontario M5G 1V2

Attention: Mario Forte / Michael Rotsztain
Email: forte@gsnh.com / rotsztain@gsnh.com

and to:

KSV Kofman Inc.
150 King Street West, Suite 2308
Toronto, Ontario M5H 1J9

Attention: Bobby Kofman / David Sieradzki
Email: bkofman@ksvadvisory.com / dsieradzki@ksvadvisory.com

with copies (which shall not in itself constitute notice) to:

Goodmans LLP
Bay Adelaide Centre – West Tower
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Attention: L. Joseph Latham
Email: jlatham@goodmans.ca


Any Party may change its address for service from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to such Party at its changed address.

11.7 Counterparts; Facsimile Signatures

This Agreement may be signed in counterparts and each of such counterparts shall constitute an original document and such counterparts, taken together, shall constitute one and the same instrument. Execution of this Agreement by any of the Parties hereto may be evidenced by facsimile, scanned e-mail or internet transmission copy of this Agreement bearing such signature which, for all purposes, shall be deemed to be an original signature.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the date first written above.

DISCOVERY AIR INC.

By: 

Name:
Title:

By: 

Name:
Title:

10671541 CANADA INC.

By: _____

Name:
Title:

By: _____

Name:
Title:

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the date first written above.

DISCOVERY AIR INC.

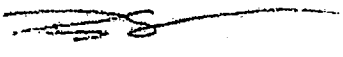
By: _____

Name:
Title:

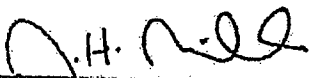
By: _____

Name:
Title:

10671541 CANADA INC.

By:  _____

Name: Daniel Cheng
Title: Chief Financial Officer

By:  _____

Name: JAMES MILLER
Title: CORPORATE SECRETARY

Schedule 1.1(g)
Form of Approval and Vesting Order

Court File No.:

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE)
JUSTICE) DAY OF , 2018

IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF DISCOVERY AIR INC.

APPLICANT

**APPROVAL AND VESTING ORDER
(Air Tindi)**

THIS MOTION, made by Discovery Air Inc. (the “Applicant”) for an order approving the sale transaction (the “Transaction”) contemplated by an asset purchase agreement (the “Sale Agreement”) between the Applicant and 10671541 Canada Inc. (the “Purchaser”) dated ■, 2018, and appended to ■, and vesting in the Purchaser the Applicant’s right, title and interest in and to the Purchased Assets (as defined in the Sale Agreement), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING ■, filed, and on hearing the submissions of counsel for the Applicant, KSV Kofman Inc., in its capacity as the monitor of the Applicant (the “Monitor”), and the Purchaser, no one appearing for any other person on the service list, although properly served as appears from the affidavit of ■ sworn ■, 2018, filed:

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Sale Agreement by the Applicant is hereby authorized and approved, with such minor amendments as the Applicant and the Purchaser, with the consent of the Monitor, may agree upon pursuant to the Sale Agreement. The Applicant, with the consent of the Monitor, is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.
3. THIS COURT ORDERS AND DECLARES that upon the delivery of a Monitor's certificate to the Purchaser substantially in the form attached as Schedule "A" hereto (the "Monitor's Certificate"), all of the Applicant's right, title and interest in and to the Purchased Assets shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice ■ dated ■, 2018 (the "Initial Order"); (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal or movable property registry system in any provinces or territories in Canada, including, without limitation, under the Civil Code of Quebec; and (iii) any Excluded Liabilities (as defined in the Sale Agreement) (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule "B" or the Assumed Liabilities (as defined in the Sale Agreement)). This Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.
4. THIS COURT ORDERS that all counterparties to any Contract (as defined in the Sale Agreement) to which Air Tindi Ltd. is a party or beneficiary, are prohibited from exercising any

right or remedy under such Contract, including, without limitation, any rights of termination, that arise as a result of, or otherwise relate to, the Transaction, the insolvency of the Applicant, the commencement of the Applicant's proceedings under the *Companies' Creditors Arrangement Act* (Canada) (the "CCAA") or any relief granted in such proceedings (including, without limitation, the extension of a limited stay of proceedings to the Non-Applicant Subsidiaries (as defined in the Initial Order).

5. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Monitor's Certificate all Claims and Encumbrances shall attach to the net proceeds from the 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.

6. THIS COURT ORDERS AND DIRECTS the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof.

7. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Applicant is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Applicant's records pertaining to the Applicant's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Applicant.

8. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Applicant and any bankruptcy order issued pursuant to any such applications; and

- (c) any assignment in bankruptcy made in respect of the Applicant;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicant and shall not be void or voidable by creditors of the Applicant, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) 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.

9. 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 Applicant and the Monitor 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 orders and to provide such assistance to the Applicant and the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

Schedule "A" - Form of Monitor's Certificate

Court File No.: _____

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF DISCOVERY AIR INC.

APPLICANT

**MONITOR'S CERTIFICATE
(Air Tindi)**

RECITALS

A. Pursuant to an Order of the Honourable ■ of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated ■, 2018, KSV Kofman Inc. was appointed as the monitor (the "Monitor") of Discovery Air Inc. (the "Applicant").

B. Pursuant to an Order of the Court dated ■, 2018, the Court approved the agreement of purchase and sale made as of ■, 2018 (the "Sale Agreement") between the Applicant and 10671541 Canada Inc. (the "Purchaser") and provided for the vesting in the Purchaser of the Applicant'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 the Monitor 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 Article 6 of the Sale Agreement have been satisfied or waived by the Applicant and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Monitor.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE MONITOR CERTIFIES the following:

1. The Purchaser has paid and the Applicant 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 Article 6 of the Sale Agreement have been satisfied or waived by the Applicant and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Monitor.
4. This Certificate was delivered by the Monitor at _____ [TIME] on _____ [DATE].

**KSV KOFMAN INC., in its capacity as
Monitor of Discovery Air Inc., and not in its
personal capacity**

Per: _____

Name:

Title:

Schedule “B” – Permitted Encumbrances

Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

1. Encumbrances imposed by Applicable Law that rank in priority as at the Closing Date to the Encumbrances created by or resulting from the Clairvest Security Documents, including, but not limited to: (i) any applicable Encumbrances in favour of mechanics, labourers, workmen, builders, contractors, suppliers of goods or services, or other similar Encumbrances incidental to construction, maintenance or repair operations; and (ii) any applicable purchase money security interests under applicable personal property security legislation.
2. Other than for any restrictions in respect of the Transaction, any transfer restrictions on the TA Holdings Shares or the TA Shares.

- 2 -

Schedule 1.1(aaa)

Sale Procedure Order

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE	)	WEEKDAY, THE #
)	
JUSTICE	)	DAY OF MONTH, 2018

IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF DISCOVERY AIR INC.

APPLICANT

SSP APPROVAL ORDER

THIS MOTION, made by Discovery Air Inc. (the “**Applicant**”), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) for an order, *inter alia*, approving a sale and solicitation process and certain related relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicant, the affidavit of ■ sworn ■, 2018, and the Exhibits thereto (the “**■ Affidavit**”), the First Report of KSV Kofman Inc., in its capacity as Monitor (the “**Monitor**”) dated ■, 2018, filed, and on hearing the submissions of counsel for the Applicant, the Monitor and [**Clairvest Group Inc.**], no one else appearing although duly served as appears from the Affidavit of Service of ■ sworn ■, 2018, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meaning ascribed to them under the sale and solicitation process attached hereto as Schedule “■” (the “SSP”).

APPROVAL OF STALKING HORSE AGREEMENTS

3. **THIS COURT ORDERS** that the execution, delivery, entry into, compliance with, and performance by the Applicant of each of the Top Aces Stalking Horse Agreement, GSH Stalking Horse Agreement, ATL Stalking Horse Agreement and DMS Stalking Horse Agreement (each, as defined in the ■ Affidavit, and, collectively the “**Stalking Horse Agreements**”), be and is hereby ratified, authorized and approved, *provided, however*, that nothing contained in this Order approves the sale or the vesting of any property, assets or undertaking of the Applicant to either of the Stalking Horse Bidders pursuant to any of the Stalking Horse Agreements and that, if any or all of the Stalking Horse Agreements are the Accepted Bid under the SSP, the approval of the sale and vesting of the assets contemplated to be sold thereunder to the applicable Stalking Horse Bidder shall be considered by this Court on a subsequent motion or motions made to this Court following completion of the SSP, all in accordance with the terms of the SSP.
4. **THIS COURT ORDERS** that the Stalking Horse Agreements be and are hereby approved and accepted solely for the purposes of constituting stalking horse bids under the SSP.
5. **THIS COURT DECLARES** that the Stalking Horse Bidders are parties to these proceedings.
6. **THIS COURT ORDERS** that the Stalking Horse Agreements shall not be rendered invalid or unenforceable and the rights and remedies of the Stalking Horse Bidders thereunder shall not otherwise be limited or impaired in any way by: (a) the Applicant’s CCAA proceedings and the declarations of insolvency made in connection therewith; (b) any application(s) for bankruptcy order(s) issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”),

or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of security interests, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) the execution, delivery or performance of the Stalking Horse Agreements shall not create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party; and
- (b) the Stalking Horse Bidders shall not have any liability to any person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicant entering into the Stalking Horse Agreements.

APPROVAL OF SSP

7. **THIS COURT ORDERS** that the SSP (subject to such non-material amendments as may be agreed to by the Monitor and the Stalking Horse Bidders (including all schedules thereto)) be and is hereby approved and the Monitor, the Applicant and the Non-Applicant Subsidiaries (as defined in the Initial Order) are hereby authorized and directed to take such steps as they deem necessary or advisable (subject to the terms of the SSP) to carry out the SSP, subject to prior approval of this Court being obtained before completion of any transaction(s) under the SSP.

8. **THIS COURT ORDERS** that the Monitor, the Applicant, the Non-Applicant Subsidiaries and their respective affiliates, partners, directors, employees, advisors, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liability of any nature or kind to any person in connection with or as a result of performing their duties under the SSP, except to the extent of such losses, claims, damages or liabilities resulting from the gross negligence or wilful misconduct of the Monitor, the Applicant, or the Non-Applicant Subsidiaries, as applicable, as determined by the Court.

9. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Monitor, the Applicant and the Non-Applicant Subsidiaries (under the direction of the Monitor) are hereby authorized and permitted to disclose and transfer to each potential bidder (the “**Bidders**”) (including, without limitation, the Stalking Horse Bidders) and to their Representatives, if requested by such Bidders, personal information of identifiable individuals, including, without limitation, all human resources and payroll information in the Companies’ records pertaining to the Companies’ past and current employees, but only to the extent desirable or required to negotiate or attempt to complete a sale of the shares and assets contemplated by the Stalking Horse Agreements (a “**Sale**”). Each Bidder or Representative 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 for the purpose of effecting a Sale, and if it does not complete a Sale, shall return all such information to the Monitor, or in the alternative destroy all such information and provide confirmation of its destruction if requested by the Monitor. The Successful Bidder(s) shall maintain and protect the privacy of such information and, upon closing of the transaction contemplated in the Accepted Bid(s), shall be entitled to use the personal information provided to it that is related to the Property acquired pursuant to the SSP in a manner that is in all material respects identical to the prior use of such information by the relevant Company or Companies, and shall return all other personal information to the Monitor, or ensure that all other personal information is destroyed and provide confirmation of its destruction if requested by the Monitor.

GENERAL

10. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, or any other jurisdiction, to give effect to this Order and to assist the Applicant, the Monitor 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 orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

11. **THIS COURT ORDERS** that each of the Applicant and the Monitor 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 Monitor 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.

12. **THIS COURT ORDERS** that at any time during the SSP, the Monitor, the Applicant or any Stalking Horse Bidder may apply to the Court for directions with respect to the SSP.

SCHEDULE “A”

SALE SOLICITATION PROCESS

Introduction

On March [21], 2018, Discovery Air Inc. (the “**Debtor**”) commenced a proceeding (the “**CCAA Proceeding**”) under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) before the Ontario Superior Court of Justice (Commercial List) (the “**Court**”). Pursuant to the initial order issued by the Court in the CCAA Proceeding (the “**Initial Order**”), KSV Kofman Inc. was appointed as monitor (the “**Monitor**”) in the CCAA Proceeding.

The following Schedules are incorporated into this SSP: (a) Schedule “A” – References and Definitions; (b) Schedule “B” – Form of Acknowledgment of Sale Solicitation Process; (c) Schedule “C” – Addresses for Notice; and (d) Schedule “D” – Auction Procedures.

On ■, 2018, the Debtor brought a motion (the “**SSP Motion**”) before the Court, for, among other things, an order (the “**SSP Order**”) approving:

- (a) the Top Aces Stalking Horse Agreement pursuant to which the Top Aces Stalking Horse Bidder has agreed to: (i) purchase: (A) the Holdco Shares; (B) certain assets owned by the Debtor and used in the Top Aces business and/or shared between the Top Aces business and the businesses of GSH, ATL and DMS (together with the Holdco Shares, the “**Top Aces Property**”); and (C) intercompany debt owing by Top Aces to the Debtor, if any and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness, if any;
- (b) the following Stalking Horse Agreements between the Debtor and the Northern Stalking Horse Bidder:
 - (i) the GSH Stalking Horse Agreement pursuant to which the Northern Stalking Horse Bidder has agreed to: (i) purchase: (A) the GSH Shares; (B) certain assets owned by the Debtor and used in the GSH business as more particularly described in the GSH Stalking Horse Agreement (together with the GSH Shares, the “**GSH Property**”) (C) certain intercompany debt owing by GSH to the Debtor (the “**GSH Intercompany Debt**”); and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness of the Debtor;
 - (ii) the ATL Stalking Horse Agreement pursuant to which the Northern Stalking Horse Bidder has agreed to: (i) purchase: (A) the ATL Shares; (B) certain assets owned by the Debtor and used in the ATL business as more particularly described in the ATL Stalking Horse Agreement (together with the ATL Shares, the “**ATL Property**”) (the “**ATL Intercompany Debt**”); and (C) certain intercompany debt owing by ATL to the Debtor; and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness owing by the Debtor;
 - (iii) the DMS Stalking Horse Agreement pursuant to which the Northern Stalking Horse Bidder has agreed to: (i) purchase: (A) the DMS Shares;

(B) certain assets owned by the Debtor and used in the DMS business as more particularly described in the DMS Stalking Horse Agreement (together with the DMS Shares, the “**DMS Property**”); and (C) certain intercompany debt owing by DMS to the Debtor, if any; and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness owing by the Debtor; and

(c) this SSP.

On ■, 2018, the Court granted the SSP Order. The Monitor will conduct the SSP in accordance with the SSP Order.

Under the SSP, all qualified interested parties will be provided with an opportunity to participate in the SSP on the terms set out herein.

Commencement of the SSP and Identifying Bidders

1. The purpose of the SSP is to conduct certain processes to provide interested parties with opportunities to submit competing offers on an “as is, where is” basis to purchase: (a) the Top Aces Property; (b) the GSH Property, the GSH Intercompany Debt or all or substantially all of the assets of GSH; (c) the ATL Property, the ATL Intercompany Debt or all or substantially all of the assets of ATL; and (d) the DMS Property or all or substantially all of the assets of DMS (each, an “**Opportunity**”). The SSP shall apply to each of the Opportunities and the related processes and transactions, including without limitation, the Top Aces Transaction, GSH Transaction, ATL Transaction and DMS Transaction.
2. Any sales pursuant to this SSP will be without surviving representations or warranties of any kind, nature, or description by the Monitor, the Companies or any of their respective directors, officers, agents, advisors or other representatives unless otherwise agreed in a definitive agreement.
3. All of the Debtor’s right, title and interest in and to any of the Property or other assets to be sold pursuant to any Transactions will be sold free and clear of the pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein and thereon as set out in the Court order approving such sale unless specifically permitted to continue pursuant to the terms of the Accepted Bid.

Timeline

4. The following table sets out the key milestones and deadlines under the SSP:

Milestone	Deadline (Top Aces SSP)	Deadline (GSH SSP)	Deadline (ATL SSP)	Deadline (DMS SSP)
Commencement SSP	April 4, 2018	April 4, 2018	April 4, 2018	April 4, 2018
Bid Deadline	May 21, 2018	June 4, 2018	June 4, 2018	June 4, 2018

Auction	May 31, 2018	June 14, 2018	June 14, 2018	June 14, 2018
Closing Date Deadline	July 31, 2018	July 31, 2018	July 31, 2018	July 31, 2018

Solicitation of Interest: Notice of the SSP

5. The Debtor will issue a press release providing notice of the SSP and any such other relevant information as the Debtor and Monitor consider appropriate (a “**Notice**”) with Canada Newswire for designated dissemination in Canada and major financial centres in the United States.
6. The Monitor shall be entitled, but not obligated, to arrange for a Notice to be published in *The Globe and Mail* (National Edition), and any other newspaper or industry journals as the Monitor considers appropriate, if any, if it believes that such advertisement would be useful in the circumstances.
7. The Monitor has prepared:
 - (a) a list of potential financial bidders who may be interested in a Top Aces Transaction and a list of potential financial and strategic bidders who may be interested in any or all of the Northern Transactions (collectively, “**Potential Bidders**”);
 - (b) Teaser Letters describing the Opportunities, outlining the processes under the Top Aces SSP and Northern SSP, respectively, and inviting recipients of the Teaser Letters to express their interest pursuant to the applicable SSP or SSPs;
 - (c) a form of NDA; and
 - (d) two CIMs describing the Opportunities, which will be made available by the Monitor to Bidders (as defined below).
8. The Monitor has established Data Rooms in respect of the various SSPs which Data Rooms may continue to be updated from time to time during the SSP process.
9. The Monitor may consult with, or seek the assistance or cooperation of, the Companies with respect to the activities described in paragraphs 6, 6 and 8 above.
10. The Monitor will send the applicable Teaser Letter(s) and applicable form or forms of NDA to all applicable Potential Bidders as soon as reasonably practicable after the granting of the SSP Order and to any other party who requests a copy of a Teaser Letter and NDA or who is identified by the Debtor or the Monitor as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.

Delivery of CIMs

11. Any party who wishes to participate in one or more of the SSPs (an “**Interested Party**”) including any Potential Bidder, must provide to the Monitor:

- (a) a NDA executed by it, and a letter setting forth the identity of the Interested Party, the contact information for such Interested Party and full disclosure of the direct and indirect principals of the Interested Party;
 - (b) an acknowledgment of the applicable SSP or SSPs in which the Interested Party wishes to participate, in the form attached hereto as Schedule “B”; and
 - (c) such form of financial disclosure and credit quality support or enhancement that allows the Monitor to make a reasonable determination as to the Interested Party’s financial and other capabilities to consummate a Sale Proposal.
12. If it is determined by the Monitor, in its reasonable business judgment, that an Interested Party: (i) has delivered the documents contemplated in paragraph 11 above; and (ii) has the financial capability based on the availability of financing, experience and other considerations, to be able to consummate a sale pursuant to the SSP or SSPs in which the Interested Party is interested, then such Interested Party will be deemed to be a “**Bidder**”. For greater certainty, the Monitor may, in its reasonable business judgment, determine that an Interested Party may be deemed a Bidder in one SSP but not another.
13. The Monitor will provide each Bidder with a copy of the applicable CIM(s) and access to any corresponding Data Rooms. Bidders and Qualified Bidders (as defined in paragraph 24 below) must rely solely on their own independent review, investigation and/or inspection of all information and of the Property in connection with their participation in any of the SSPs and any transaction they enter into with the Debtor. The Companies, the Monitor and their respective directors, officers, agents and advisors make no representation or warranty as to the information (i) contained in any of the CIMs or the Data Rooms; (ii) provided through the due diligence process or otherwise made available pursuant to any of the SSPs; or (iii) otherwise made available to a Potential Bidder, Interested Party, Bidder or Qualified Bidder, except to the extent expressly contemplated in any definitive sale with the Successful Bidder (as defined below) duly executed and delivered by the Debtor and approved by the Court.
14. At any time during the SSP, the Monitor may, in its reasonable business judgment, eliminate a Bidder from any of the SSPs, in which case such party will no longer be a Bidder for the purposes of such SSP, provided however, this provision does not apply to either of the Stalking Horse Bidders. For greater certainty, the Monitor may, in its reasonable business judgment, eliminate a Bidder participating in multiple SSPs from one but not other SSPs.
15. None of the Companies nor any of its affiliates, shall meet or communicate with a Potential Bidder, Interested Party, Bidder or Qualified Bidder, including the Stalking Horse Bidders, in respect of the Stalking Horse Bids, regarding any Transaction or Opportunity without (a) informing the Monitor and (b) allowing the Monitor the right and opportunity to participate in such meeting, management presentation or communication. In the event a disagreement arises between the Debtor and the Monitor with respect to any matters related directly or indirectly to this SSP, the Monitor, unless otherwise ordered by the Court, shall have the sole authority to make a final decision with respect to such matters.

16. Representatives of the Debtor shall not communicate the identities of any Interested Parties or information in respect of any bids or transaction documents to representatives of either of the Stalking Horse Bidders, whether in that capacity or any other capacity unless and until the identity of the Qualified Bidders are exchanged with all other Qualified Bidders at Auction. For greater certainty, the foregoing provision is not intended to prevent or restrict the Companies from meeting or communicating with either of the Stalking Horse Bidders or any party related thereto regarding matters that do not relate to the SSP.
17. The Monitor, with the Debtor's assistance, shall afford each Bidder such access to applicable due diligence materials and information pertaining to the applicable SSP or SSPs as the Monitor deems appropriate in its reasonable business judgment. Due diligence access may include management presentations, access to the Data Room(s), on-site inspections, and other matters which a Bidder may reasonably request and which the Monitor deems appropriate. The Monitor will designate one or more representatives to coordinate all reasonable requests for additional information and due diligence access from each Bidder and the manner in which such requests must be communicated. Neither the Debtor nor the Monitor will be obligated to furnish any information relating to the Property to any person other than to Bidders. For the avoidance of doubt, selected due diligence materials may be withheld from certain Bidders if the Monitor determines such information to represent proprietary or sensitive competitive information.

Formal Offers and Determination of Qualified Bids

18. Bidders will be able to refer to template Purchase Agreements (which will be based on the Stalking Horse Agreements) placed in the Data Rooms.
19. Bidders that wish to make a formal offer within one or more of the SSPs (a "**Sale Proposal**") must submit offers to the Monitor so as to be received by the Monitor not later than 5:00 PM (Toronto Time) on **[June 4]**, 2018, (the "**Bid Deadline**"). All offers in respect of the applicable Property must be in the form of a duly authorized and executed Purchase Agreement with any changes disclosed in a comparison against the template Purchase Agreement, if applicable, (a "**Final Bid**") at each of the addresses specified in Schedule "C" hereto and may be submitted by email and/or hard copy delivery. Bidders who wish to submit a Sale Proposal for the assets of any or all of GSH, ATL and/or DMS may submit any such Sale Proposal in a separate form of asset purchase agreement reflecting terms consistent with an insolvency transaction, including without surviving representations and warranties. For greater certainty, Bidders must submit a separate Purchase Agreement or asset purchase agreement for each SSP in which the Bidder is making a Sale Proposal.
20. The Monitor, in consultation with the Debtor, may modify the Bid Deadline with respect to some or all of the SSPs. Any such modification shall be communicated to all Bidders for the applicable SSP in writing and posted on the Monitor's Website.
21. In order to be considered a Final Bid, a Sale Proposal shall include the following terms (collectively, the "**Final Bid Criteria**"):

- (a) Subject to subsection (b) below, that the bid is binding and irrevocable until the earlier of (i) 30 days after the Bid Deadline and (ii) approval by the Court of the Accepted Bid (the “**Bid Termination Date**”);
- (b) include an acknowledgement that if such Final Bid is selected by the Monitor as the Backup Bid at the Auction, such Final Bid shall remain binding, irrevocable and open for acceptance by the Debtor until the closing of the transaction with the Successful Bidder;
- (c) include a refundable cash deposit in the form of a wire transfer (to a bank account specified by the Monitor) or such other form of deposit as is acceptable to the Monitor, payable to the Monitor, in trust, in an amount equal to 15% (the “**Deposit**”) of the purchase price contemplated by the Bidder’s Final Bid;
- (d) provide contact information (including an email address) for the Bidder and disclose the identity of each entity (including its ultimate shareholders and/or sponsors) that will be bidding for the Property or otherwise participating in a Final Bid and the complete terms of any such participation;
- (e) include written evidence of a firm, irrevocable commitment for financing or other evidence of an ability to consummate the proposed transaction or transactions comprising the Final Bid, that will allow the Monitor to make a determination as to the Bidder’s financial and other capabilities to consummate the proposed transaction;
- (f) include acknowledgments and representations of the Bidder that: (i) it has had an opportunity to conduct any and all due diligence regarding the Property, the Debtor or otherwise prior to making its bid; (ii) it has relied solely upon its own independent review, investigation and/or inspection of the Property (including, without limitation, any documents in connection therewith) in making its bid; and (iii) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Property or the Debtor or the completeness of any information provided in connection therewith, except as expressly stated in the definitive transaction agreement(s) signed by the Debtor and approved by the Court;
- (g) include written evidence, in form and substance reasonably satisfactory to the Monitor, of authorization and approval from the Bidder’s board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the transaction contemplated by the bid;
- (h) provides value to the creditors and other stakeholders of the Debtor (having regard to the relative priority of creditor claims) that is equal to or greater than the value of the applicable Stalking Horse Agreement;
- (i) details of any liabilities to be assumed by the Bidder;
- (j) not be subject to further due diligence;

- (k) not be subject to financing;
 - (l) include a description of any regulatory or other third-party approvals required for the Bidder to consummate the sale transaction, and the time period within which the Bidder expects to receive such regulatory and/or third-party approvals, and those actions the Bidder will take to ensure receipt of such approvals as promptly as possible;
 - (m) include a description of any desired arrangements with respect to transition services that may be required from any of the Companies in connection with the sale transaction;
 - (n) not be subject to any conditions precedent except those that are customary in a transaction of this nature;
 - (o) not be conditional upon approval by the Court of any bid protection, such as a break-up fee, termination fee, expense reimbursement or similar type of payment;
 - (p) be received by the Bid Deadline; and
 - (q) contemplate closing the transaction set out therein on or before **[July 31]**, 2018 (the “**Closing Date Deadline**”).
22. Following the Bid Deadline, the Monitor will determine if each Sale Proposal delivered to the Monitor meets the Final Bid Criteria, provided that each Sale Proposal may be negotiated among the Monitor and the applicable Bidder and may be amended, modified or varied to improve such Sale Proposal as a result of such negotiations. The Monitor shall be under no obligation to negotiate identical terms with, or extend identical terms to, each Bidder.
23. On notice to parties in the CCAA Proceeding, the Monitor may seek Court approval of an amendment to the SSP or any one of them that it considers material. For greater certainty, the extension of any deadline by up to two weeks shall not be considered material.
24. If a Sale Proposal meets the Final Bid Criteria, such Final Bid will be deemed to be a “**Qualified Bid**” and the Bidder in respect of each such Qualified Bid shall be a “**Qualified Bidder**” in respect of the applicable SSP. The Monitor may waive strict compliance with any one or more of the Final Bid Criteria and deem such non-compliant Sale Proposal to be a Qualified Bid, provided that doing so shall not constitute a waiver by the Monitor of the Final Bid Criteria or an obligation on the part of the Monitor to designate any other Sale Proposal as a Qualified Bid.

Selection of Successful Bidders

25. On or before June 11, 2018, or at such later time as the Monitor may deem appropriate, the Monitor will advise each Bidder if its Sale Proposal is a Qualified Bid (the “**Notification Date**”) with respect to the applicable SSP.

26. If one or more Qualified Bids for a particular SSP is received by the Bid Deadline (as such deadline may be extended by the Monitor as set out herein), all Qualified Bidders for such SSP shall proceed to an Auction with the applicable Stalking Horse Bidder, to be held on June 14, 2018, which shall proceed according to the Auction Procedures to identify the Successful Bidder. For greater certainty, each Stalking Horse Bidder is, and is deemed to be, a Qualified Bidder in respect of the applicable SSP and each Stalking Horse Agreement is, and is deemed to be, a Qualified Bid for all purposes in connection with the applicable SSP. The Monitor, in consultation with the Debtor, may postpone or delay the commencement of an Auction with respect to either or both of the SSPs. Any such postponement or delay shall be posted at the Auction Location, communicated to all applicable Qualified Bidders for the applicable SSP in writing and posted on the Monitor's Website.
27. If no Qualified Bid for a SSP other than the Stalking Horse Purchase Agreement is received by the Bid Deadline (as the same may be extended by the Monitor as set out herein), an Auction for such SSP will not be held and that Stalking Horse Bidder will be declared to be the Successful Bidder with respect to the applicable Transaction. The "**Accepted Bid**" for a SSP will be either (i) the applicable Stalking Horse Bid if no Qualified Bid for such SSP is received by the Bid Deadline or so designated by the Monitor; or (ii) in the event of an Auction, the highest and best bid as determined by the Monitor at the Auction. The party that submitted the Accepted Bid for a SSP is referred to herein as the "**Successful Bidder**" with respect to such SSP.
28. If, upon the conclusion of an Auction, the Stalking Horse Bidder is not the Successful Bidder, the Successful Bidder's transaction shall be considered to be a superior transaction (a "**Superior Transaction**").
29. Within seven (7) Business Days of the selection of an Accepted Bid for a Transaction (or as soon as reasonably possible thereafter), the Debtor shall file an Approval Motion. All of the Qualified Bids for that Transaction and SSP other than the applicable Accepted Bid, the Backup Bid and the Stalking Horse Bid, shall be deemed rejected by the Monitor on and as of the date of approval of the applicable Accepted Bid by the Court.
30. All Deposits will be retained by the Monitor in trust. The Monitor shall deposit all Deposits with interest bearing accounts. Any Deposit held by the Monitor with respect to the Accepted Bid (plus accrued interest, if any) will be non-refundable (other than as may be provided for in the Purchase Agreement that constitutes the Accepted Bid) and will be applied to the purchase price to be paid by the Successful Bidder upon closing of the transaction under the Accepted Bid. The Deposits (plus applicable interest, if any) of Bidders not selected as Qualified Bidders will be returned to such Bidders within three (3) Business Days of the Notification Date. The Deposits (plus applicable interest, if any) of Qualified Bidders (other than the Backup Bidder) not selected as the Successful Bidder will be returned to such parties within three (3) Business Days of the Bid Termination Date.
31. If the Successful Bidder for any Transaction fails to close the transaction contemplated by the Accepted Bid by the earlier to occur of the applicable Closing Date Deadline and the closing date under the Accepted Bid (or such date that may otherwise be mutually agreed

upon among the Debtor, the Monitor and the Successful Bidder), the Monitor shall be authorized but not required to: (a) direct the Debtor to exercise such rights and remedies as are available to the Debtor under the Accepted Bid including, if applicable, deeming that the Successful Bidder has breached its obligations pursuant to the Accepted Bid and that the Successful Bidder has forfeited its Deposit to the Debtor; (b) designate the Backup Bidder as the Successful Bidder and direct the Debtor to close the transaction under the Backup Bid; or (c) take such other steps as it deems advisable. The Debtor reserves its right to seek all available damages, including specific performance, from any defaulting Successful Bidder (including any Backup Bidder designated as a Successful Bidder).

Confidentiality and Access to Information

32. Each Potential Bidder, Interested Party, Bidder or Qualified Bidder (including the Stalking Horse Bidder) shall not be permitted to receive any information that is not made generally available to all participants relating to the number or identity of Potential Bidders, Bidders, Qualified Bidders, Qualified Bids, the details of any bids submitted or the details or existence of any confidential discussions or correspondence among the Debtor, the Monitor and any Bidder in connection with any SSP in which such parties are participating.
33. In addition, the Monitor may consult with any other parties with a material interest in the CCAA Proceeding regarding the status and material information and developments relating to any or all of the SSPs to the extent considered appropriate by the Monitor and taking into account, among other things, whether any particular party is a Bidder, Qualified Bidder, or other participant or prospective participant in one or more of the SSPs; provided that such parties may be required to enter into confidentiality arrangements satisfactory to the Monitor. For greater certainty, Clairvest shall not be entitled to any information regarding the status of the SSP unless such information is provided to all Qualified Bidders in the process.

Supervision of the SSP

34. The Monitor will oversee, in all respects, the conduct of the SSP and, without limitation, the Monitor will participate in the SSP in the manner set out herein and in the SSP Order. All discussions or inquiries to the Debtors regarding the SSP shall be directed to the Monitor. Under no circumstances should representatives of the Companies be contacted directly or indirectly in respect of the SSP, including diligence requests, without the prior written consent of the Monitor. Any such unauthorized contact or communication could result in exclusion from any or all of the SSP processes. For greater certainty, the foregoing provision is not intended to prevent or restrict the Debtor or its affiliates and representatives from meeting or communicating with any Stalking Horse Bidder, in a capacity other than as a Stalking Horse Bidder, or any party related thereto regarding matters that do not relate to the SSP.
35. Other than as specifically set forth in the Stalking Horse Agreements or in a definitive agreement between the Companies and the Successful Bidder under a Superior Transaction, the SSP does not, and will not be interpreted to create any contractual or other

legal relationship among the Debtor, the Monitor, any Potential Bidder, Interested Party, Bidder, Qualified Bidder, the Successful Bidder, or any other party.

36. Subject to the terms of the Initial Order and any entitlement of the Stalking Horse Bidder to a Stalking Horse Expense Reimbursement, participants in the SSP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any Final Bid, participation in the SSP, Auction, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a transaction.

SCHEDULE “A”- REFERENCES AND DEFINITIONS

In this document, unless the context otherwise required, words importing the singular include the plural and vice versa. Capitalized terms used herein and not otherwise defined shall have the meaning given to them in the Initial Order. Except where otherwise expressly provided, all dollar reference amounts are to Canadian dollars.

The terms below shall have the following meaning given to them:

- (a) “**Accepted Bid**” has the meaning given to it in paragraph 27;
- (b) “**Air Tindi Transaction**” means the transaction contemplated by the ATL Stalking Horse Agreement or any other transaction under the ATL Stalking Horse Agreement or any improved bid pursuant to the process set out herein;
- (c) “**Approval Motion**” the Debtor’s motion or motions to be filed with the Court seeking one or more orders to approve the Accepted Bids;
- (d) “**ATL**” means Air Tindi Ltd.;
- (e) “**ATL Property**” has the meaning given to it in the Introduction;
- (f) “**ATL Shares**” means 1870 issued and outstanding Class A common shares in the capital of ATL, being 100% of the issued and outstanding shares of ATL;
- (g) “**ATL SSP**” the sale and solicitation process to solicit bids for the ATL Property as set out herein;
- (h) “**ATL Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Northern Stalking Horse Bidder dated as of ■, 2018 as the same may be amended, modified, improved or changed pursuant to the terms of this SSP for the purchase and sale of the ATL Property;
- (i) “**Auction**” means an auction conducted pursuant to this SSP pursuant to the Auction Procedures;
- (j) “**Auction Location**” has the meaning given to it in paragraph 1 of the Auction Procedures;
- (k) “**Auction Procedures**” mean the auction procedures set out in Schedule “D” hereto;
- (l) “**Backup Bid**” has the meaning given to it in paragraph 13 of the Auction Procedures;

- (m) “**Backup Bidder**” has the meaning given to it in paragraph 13 of the Auction Procedures;
- (n) “**Bid Deadline**” has the meaning given to it in paragraph 19;
- (o) “**Bid Termination Date**” has the meaning given to it in paragraph 21(a);
- (p) “**Bidder**” has the meaning given to it in paragraph 12;
- (q) “**Business Day**” means any day, other than Saturday or Sunday, on which the principal commercial banks in Toronto are open for commercial banking business during normal banking hours;
- (r) “**CCAA**” has the meaning given to it in the Introduction;
- (s) “**CCAA Proceeding**” has the meaning given to it in the Introduction;
- (t) “**Closing Date Deadline**” has the meaning given to it in paragraph 21(q);
- (u) “**CIM**” means a confidential information memorandum to be prepared by the Monitor in connection with a SSP;
- (v) “**Companies**” means the Debtor, Top Aces, Top Aces Holdco, GSH, ATL and DMS;
- (w) “**Court**” has the meaning given to it in the Introduction;
- (x) “**Credit Bid**” means a bid that provides for all or part of the consideration to be paid to be satisfied by way of a credit bid of secured indebtedness of the Debtor;
- (y) “**Data Rooms**” the electronic data rooms to be established by the Monitor in connection with the SSP;
- (z) “**Deposit**” has the meaning given to it in paragraph 21(c);
- (aa) “**Debtor**” has the meaning given to it in the Introduction;
- (bb) “**Discovery Mining Transaction**” means the transaction contemplated by the DMS Stalking Horse Agreement or any other transaction under the DMS Stalking Horse Agreement or any improved bid pursuant to the process set out herein;
- (cc) “**DMS**” means Discovery Mining Services Ltd.
- (dd) “**DMS Property**” has the meaning given to it in the Introduction;

- (ee) “**DMS Shares**” means 22,883,047 issued and outstanding Class A common shares in the capital of DMS, being 100% of the issued and outstanding shares of DMS;
- (ff) “**DMS SSP**” the sale and solicitation process to solicit bids for the DMS Property as set out herein;
- (gg) “**DMS Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Northern Stalking Horse Bidder dated as of ■, 2018 as the same may be amended, modified, improved or changed pursuant to the terms of this SSP for the purchase and sale of the DMS Property
- (hh) “**Final Bid**” has the meaning given to it in paragraph 19;
- (ii) “**Final Bid Criteria**” has the meaning given to it in paragraph 20;
- (jj) “**Great Slave Transaction**” means the transaction contemplated by the GSH Stalking Horse Agreement or any other transaction under the GSH Stalking Horse Agreement or any improved bid pursuant to the process set out herein;
- (kk) “**GSH**” means Great Slave Helicopters Ltd.;
- (ll) “**GSH Property**” has the meaning given to it in the Introduction;
- (mm) “**GSH Shares**” means (i) 157,891,795 issued and outstanding Class A common shares; (ii) 1,111 issued and outstanding Class D common shares; (iii) 40,000,000 issued and outstanding Class E common shares; (iv) 7,624 issued and outstanding Class F Preferred shares; (v) 11,072 issued and outstanding Class G Preferred shares; and (vi) 14,400 issued and outstanding Class H Preferred shares issued and outstanding common shares in the capital of GSH, being 100% of the issued and outstanding shares of GSH;
- (nn) “**GSH SSP**” the sale and solicitation process to solicit bids for the GSH Property as set out herein;
- (oo) “**GSH Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Northern Stalking Horse Bidder dated as of ■, 2018 as the same may be amended, modified, improved or changed pursuant to the terms of this SSP for the purchase and sale of the GSH Property;
- (pp) “**Holdco Shares**” means 253.83602 issued and outstanding Class A common shares in the capital of Top Aces Holdco being 100% of the shares of Top Aces Holdco owned by the Debtor;
- (qq) “**Initial Order**” has the meaning given to it in the Introduction;
- (rr) “**Interested Party**” has the meaning given to it in paragraph 11;

- (ss) “**Potential Bidders**” has the meaning given to it in paragraph 6;
- (tt) “**Leading Bid**” has the meaning given to it in paragraph 11 of the Auction Procedures;
- (uu) “**Monitor**” has the meaning given to it in the Introduction;
- (vv) “**Monitor’s Website**” means the Monitor’s website at www.ksvadvisory.com/insolvency-cases/discovery-air;
- (ww) “**NDA**” one or more forms of non-disclosure agreement to be used in connection with the solicitation of bids in this SSP;
- (xx) “**Northern SSP**” means collectively the GSH SSP, ATL SSP and DMS SSP;
- (yy) “**Northern Transactions**” means the Great Slave Transaction, Air Tindi Transaction and Discovery Mining Transaction;
- (zz) “**Northern Stalking Horse Bidder**” means 10671541 Canada Inc.;
- (aaa) “**Northern Stalking Horse Agreements**” means the GSH Stalking Horse Agreement, ATL Stalking Horse Agreement and DMS Stalking Horse Agreement;
- (bbb) “**Notice**” has the meaning given to it in paragraph 6;
- (ccc) “**Notification Date**” has the meaning given to it in paragraph 25;
- (ddd) “**Opportunity**” has the meaning given to it in paragraph 1;
- (eee) “**Overbid**” has the meaning given to it in paragraph 9 of the Auction Procedures;
- (fff) “**Property**” means the Top Aces Property, GSH Property, ATL Property and/or the DMS Property as the context may require;
- (ggg) “**Purchase Agreements**” means the template forms of purchase agreements to be placed in the Data Rooms upon which Bidders are to make Sale Proposals;
- (hhh) “**Qualified Bid**” has the meaning given to it in paragraph 24;
- (iii) “**Qualified Bidder**” has the meaning given to it in paragraph 24;
- (jjj) “**Sale Proposal**” has the meaning given to it in paragraph 19;
- (kkk) “**SSP**” means this sale and solicitation process document and the processes set out herein including without limitation the Top Aces SSP, GSH SSP, ATL SSP or DMS SSP or any one of them as the context may require;

- (lll) “**SSP Motion**” has the meaning given to it in the Introduction;
- (mmm) “**SSP Order**” has the meaning given to it in the Introduction;
- (nnn) “**Stalking Horse Agreements**” means the Top Aces Stalking Horse Agreement and the Northern Stalking Horse Agreement;
- (ooo) “**Stalking Horse Bidder**” means the Top Aces Stalking Horse Bidder and the Northern Stalking Horse Bidder;
- (ppp) “**Starting Bid**” has the meaning given to it in paragraph 7 of the Auction Procedures;
- (qqq) “**Subsequent Bid**” has the meaning given to it in paragraph 4 of the Auction Procedures;
- (rrr) “**Successful Bidder**” has the meaning given to it in paragraph 27;
- (sss) “**Superior Transaction**” has the meaning given to it in paragraph 28;
- (ttt) “**Teaser Letter**” means the process summary letters to be prepared by the Monitor in connection with the SSP;
- (uuu) “**Top Aces**” means Top Aces Inc. (formerly known as Discovery Air Defence Services Inc.);
- (vvv) “**Top Aces Holdco**” means Top Aces Holdings Inc.;
- (www) “**Top Aces Property**” has the meaning given to it in the Introduction;
- (xxx) “**Top Aces SSP**” the sale and solicitation process to solicit bids for the Top Aces Property as set out herein;
- (yyy) “**Top Aces Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Top Aces Stalking Horse Bidder dated as of ■, 2018 as the same may be amended, modified, improved or changed pursuant to the terms of this SSP for the purchase and sale of the Top Aces Property;
- (zzz) “**Top Aces Stalking Horse Bidder**” means, collectively, CEP IV Co-Investment Limited Partnership, Clairvest Equity Partners IV Limited Partnership, Clairvest Equity Partnership IV-A Limited Partnership, DA Holdings Limited Partnership and G. John Krediet;
- (aaaa) “**Top Aces Transaction**” means the transaction contemplated by the Top Aces Stalking Horse Agreement or any other transaction under the Top Aces Stalking Horse Agreement or any improved bid pursuant to the process set out herein;

(bbbb) "**Transactions**" means the Top Aces Transaction, Great Slave Transaction, Air Tindi Transaction and/or Discovery Mining Transaction.

SCHEDULE “B”

Acknowledgement of the Sale and Solicitation Process

TO: Discovery Air Inc.

AND TO: KSV Kofman Inc. in its capacity as monitor in the CCAA proceedings of Discovery Air Inc.

RE: Sale and Solicitation Process in respect of the following Transaction(s) [*check all that apply*]:

- Top Aces Transaction
 - Great Slave Transaction
 - Air Tindi Transaction
 - Discovery Mining Transaction
-

The undersigned hereby acknowledges receipt of the sale and solicitation process approved by the Order of the Honourable Justice ■ of the Ontario Superior Court of Justice (Commercial List) dated ■, 2018 (the “SSP”) and that compliance with the terms and provisions of the SSP is required in order to participate in the SSP and for any Final Bid (as defined in the SSP) to be considered by the Monitor.

This ____ day of _____, 2018.

[Insert Interested Party name]

Per:

Email Address:

SCHEDULE "C" – ADDRESSES FOR NOTICES**KSV Kofman Inc.****Court-Appointed Monitor in Discovery Air Inc.'s CCAA proceedings**

150 King Street West
Suite 2308, Box 42
Toronto ON M5H 1J9

Attention: Bobby Kofman & David Sieradzki

Email: bkofman@ksvadvisory.com/ dsieradzki@ksvadvisory.com

-with copies to-

Goldman Sloan Nash & Haber LLP**Lawyers for the Debtor**

1600-480 University Avenue
Toronto, ON M5G 1V2

Attention: Michael Rotsztain and Jennifer Stam

Email: rotsztain@gsnh.com/ stam@gsnh.com

Goodmans LLP**Lawyers for the Monitor**

Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto ON M5H 2S7

Attention: Joe Latham

Email: jlatham@goodmans.ca

SCHEDULE “D” - AUCTION PROCEDURES

1. The Auctions for each SSP, if any, shall be conducted by the Monitor, commencing on June 14, 2018, at 10:00 a.m. (Toronto time) at the offices of Goodmans LLP, 333 Bay Street, Suite 3400, Toronto, ON, M5H 2S7 or such other location as the Monitor may choose in advance of the commencement of an Auction (the “**Auction Location**”). No later than 24 hours prior to the scheduled date of the Auction, the Monitor shall communicate any change in the Auction Location from the offices of Goodmans LLP to another location to all applicable Qualified Bidders in writing and post notice of such change in location at the offices of Goodmans LLP and on the Monitor’s Website.
2. To the extent that the Monitor is to conduct multiple Auctions, it may choose to conduct such Auctions concurrently or consecutively in its discretion. Any delay or postponement of the commencement of an Auction shall be communicated in accordance with paragraph 26 of the SSP.
3. Unless otherwise ordered by the Court or consented to in writing by the Monitor, only the authorized representatives and professional advisors of the Monitor, the Companies, the applicable Stalking Horse Bidder, and each other Qualified Bidder invited to an Auction shall be eligible to attend an Auction and make any Subsequent Bid (as defined below) at an Auction. Administrative personnel, including, without limitation, a court reporter or similar official, will also attend an Auction at the invitation of the Monitor.
4. At an Auction, all applicable Qualified Bidders (including a Stalking Horse Bidder) shall be permitted to increase their Qualified Bids in accordance with the procedures set forth herein (each, a “**Subsequent Bid**”). All Subsequent Bids presented during an Auction shall be made and received in one room on an open basis. All participating Qualified Bidders shall be entitled to be present for all bidding with the understanding that the true identity of each participating Qualified Bidder shall be fully disclosed to all other Qualified Bidders and that all material terms of each Subsequent Bid presented during an Auction will be fully disclosed to the participating Qualified Bidders throughout an entire Auction.
5. All Qualified Bidders must have at least one individual representative with authority to bind such Qualified Bidder present in person at the offices of Goodmans LLP during the Auction(s).
6. All proceedings at an Auction shall be transcribed.
7. At least two (2) days prior to an Auction, the Monitor will advise all Qualified Bidders for the applicable SSP which of the Qualified Bids (including a Stalking Horse Agreement) the Monitor has determined in its reasonable business judgment,

after consultation with its advisors and the Companies, constitutes the then highest or otherwise best Qualified Bid (the “**Starting Bid**”).

8. The Starting Bid will be deemed to be the first bid at the Auction and bidding at the Auction will continue, in one or more rounds of bidding, so long as during each round at least one Subsequent Bid is submitted by a Qualified Bidder that, in the reasonable business judgment of the Monitor improves upon the then Leading Bid and meets the Overbid requirement.
9. The first round of bidding at an Auction in respect of the following processes and transactions shall commence in the following increments:
 - (a) bidding in respect of the Top Aces Transaction shall commence in increments of \$■;
 - (b) bidding in respect of the GSH Transaction shall commence in increments of \$■
 - (c) bidding in respect of the ATL Transaction shall commence in increments of \$■; and
 - (d) bidding in respect of the DMS Transaction shall commence in increments of \$■,

(each, an “**Overbid**”). The Monitor shall be entitled to change the amount of Overbid in subsequent rounds of bidding at the Auction in its discretion.
10. Credit Bids will be permitted at an Auction, provided that the validity of such secured indebtedness has been confirmed by the Monitor prior to commencement of such Auction. Bidding shall continue until such time as the highest or best bid is determined by the Monitor, in its reasonable business judgment, after consultation with its advisors. The Monitor, in its sole discretion, shall have the right to modify the bidding increments at the commencement of any round of the Auction. For the purpose of evaluating the value of the consideration provided by each Subsequent Bid (including any Subsequent Bid by a Stalking Horse Bidder) presented at the Auction, the value will take into account the amount and priority of any Credit Bid and any liabilities to be assumed by a Qualified Bidder.
11. After the first round of bidding and between each subsequent round of bidding, the Monitor shall announce the Subsequent Bid that the Monitor has determined in its reasonable business judgment, after consultation with its advisors, to be the then highest or best bid (the “**Leading Bid**”). A round of bidding will conclude after each participating Qualified Bidder has had an opportunity to submit a Subsequent Bid with full knowledge of the Leading Bid.

12. If no Qualified Bidder submits a Subsequent Bid (as determined by the Monitor) after a period of 30 minutes following the Monitor's acceptance of a Subsequent Bid as the Leading Bid, and the Monitor chooses not to adjourn an Auction, the Leading Bid shall be the Accepted Bid, whereupon such Auction will be concluded. The Monitor shall have the right, but not the obligation, to extend the time period to submit an offer.
13. If an Auction is conducted, the Monitor shall determine, in its reasonable business judgment after consultation with its advisors, the next highest or otherwise best Qualified Bid after the Accepted Bid (the "**Backup Bid**"). The Qualified Bidder which has submitted the Backup Bid will be designated as the "**Backup Bidder**". The Backup Bidder shall be required to keep its last submitted Subsequent Bid, or if it has not made a Subsequent Bid, its Qualified Bid (the "**Backup Bid**") open and irrevocable until the closing of the transaction with the Successful Bidder.
14. At or during an Auction, the Monitor, after consultation with its advisors, may employ and announce additional procedural rules that are fair and reasonable under the circumstances (e.g., the amount of time allotted to make Subsequent Bids) for conducting such Auction; provided, however, that such rules are (a) not inconsistent with the SSP or these Auction Procedures, the CCAA, any order of the Court entered in connection with the SSP or Auction Procedures and (b) disclosed to each Qualified Bidder at or during the Auction.

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

Court File No.:

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF DISCOVERY AIR INC. (the "APPLICANT")

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

Proceeding commenced at Toronto

SSP APPROVAL ORDER

GOLDMAN SLOAN NASH & HABER LLP
480 University Avenue, Suite 1600
Toronto, Ontario M5G 1V2
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Mario Forte (LSUC#: 27293F)
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Tel: 416.597.5017
Email: stam@gsnh.com

Lawyers for the Applicant

Schedule 2.1(c)
Assigned Contracts

TAB C

This is Exhibit "C" referred to in the
affidavit of Paul Bernards
sworn before me at Toronto
this 28 day of March, 2018

A Commissioner for taking Affidavits for Ontario

ASSET PURCHASE AGREEMENT (DISCOVERY MINING SERVICES)

DISCOVERY AIR INC.

as Seller

- and -

10671541 CANADA INC.

as Buyer

March 21, 2018

TABLE OF CONTENTS

ARTICLE 1 INTERPRETATION	2
1.1 Definitions.....	2
1.2 Schedules	8
1.3 Statutes.....	8
1.4 Headings and Table of Contents	8
1.5 Gender and Number.....	8
1.6 Currency.....	8
1.7 Invalidity of Provisions.....	9
1.8 Entire Agreement.....	9
1.9 Waiver, Amendment.....	9
1.10 Governing Law; Jurisdiction and Venue	9
ARTICLE 2 PURCHASE AND SALE.....	9
2.1 Agreement to Purchase and Sell Purchased Assets	9
2.2 Assumption and/or Satisfaction of Liabilities.....	10
2.3 Assignment of Purchased Assets	11
2.4 Excluded Obligations.....	12
2.5 “As is, Where Is”	12
ARTICLE 3 PURCHASE PRICE AND RELATED MATTERS	13
3.1 Purchase Price.....	13
3.2 Purchase Price Allocation Among Purchased Assets	13
3.3 Purchase Price Allocation Between Purchase Price Components	13
ARTICLE 4 REPRESENTATIONS AND WARRANTIES BY THE SELLER	14
4.1 Existence	14
4.2 Recitals.....	14
4.3 Due Authorization and Enforceability of Obligations.....	14
4.4 Right to Sell, and Title to, Purchased Assets	14
4.5 DMS Shares	14
4.6 Absence of Conflicts.....	15
4.7 Approvals and Consents	15
4.8 Residence of the Seller.....	15
4.9 HST Registration	15
4.10 Brokers.....	15
ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF THE BUYER	15
5.1 Existence	16
5.2 Recitals.....	16
5.3 Due Authorization and Enforceability of Obligations	16
5.4 Absence of Conflicts.....	16
5.5 Approvals and Consents	16
5.6 Residence of the Buyer	17
5.7 HST Registration	17

5.8	<i>Investment Canada Act</i>	17
5.9	No Additional Due Diligence	17
5.10	Brokers.....	17
ARTICLE 6 CONDITIONS.....		17
6.1	Conditions for the Benefit of the Buyer and the Seller.....	17
6.2	Conditions for the Benefit of the Buyer.....	18
6.3	Conditions for the Benefit of the Seller	19
ARTICLE 7 ADDITIONAL AGREEMENTS OF THE PARTIES.....		20
7.1	Access to Information.....	20
7.2	Covenant Regarding Confidential Information	20
7.3	Further Assurances.....	21
7.4	Tax Matters	21
7.5	Fees and Expenses	22
7.6	Transition Services.....	22
ARTICLE 8 COURT ORDERS.....		22
8.1	Court Orders.....	22
ARTICLE 9 TERMINATION		23
9.1	Termination.....	23
9.2	Effect of Termination.....	24
ARTICLE 10 CLOSING		24
10.1	Location and Time of Closing	24
10.2	Closing Deliveries.....	24
10.3	Monitor's Certificate.....	26
ARTICLE 11 GENERAL MATTERS		26
11.1	Confidentiality	26
11.2	Public Notices	27
11.3	Survival	27
11.4	Non-Recourse	27
11.5	Assignment; Binding Effect.....	28
11.6	Notices	28
11.7	Counterparts; Facsimile Signatures	29

ASSET PURCHASE AGREEMENT

THIS AGREEMENT is made as of March 21, 2018

B E T W E E N:

DISCOVERY AIR INC., a corporation incorporated under the laws of the Province of Ontario, and continued under the laws of Canada

(the “**Seller**”)

- and -

10671541 CANADA INC., a corporation existing under the laws of Canada

(the “**Buyer**”)

RECITALS:

- A. The Seller, through its subsidiaries, provides specialty aviation services to governments, airlines, and natural resource and other business customers, operating across Canada and in select locations internationally, including the United States, Bolivia, Australia, and Chile (together with any other business in which the Seller is engaged on the date hereof, the “**Business**”).
- B. The Seller legally and beneficially owns, as at the date hereof, 22,883,047 issued and outstanding Class A common shares in the capital of Discovery Mining Services Ltd. (“**DMS**”), as well as certain other property, assets and undertaking that are used in connection with the business conducted by DMS (the “**DMS Business**”).
- C. On March 21, 2018, the Seller commenced proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”), and an initial order (the “**Initial CCAA Order**”) was granted by the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), pursuant to which, *inter alia*, KSV Kofman Inc. was appointed as the monitor of the Seller (in such capacity, the “**Monitor**”).
- D. As at January 31, 2018, the Seller is indebted to CEP IV Co-Investment Limited Partnership, Clairvest Equity Partners IV Limited Partnership, Clairvest Equity Partners IV-A Limited Partnership, DA Holdings Limited Partnership and G. John Krediet (the “**Clairvest Convertible Debentureholders**”) pursuant to the Clairvest Convertible Debentures (as defined herein) in the aggregate principal amount of \$72,700,000 (such amount, together with all outstanding interest, fees and costs incurred relating thereto, at any given time, the “**Clairvest Secured Indebtedness Amount**”), which indebtedness is secured by the Clairvest Security Documents (as defined herein).
- E. Pursuant to the DIP Credit Agreement (as defined herein), CEP IV Co-Investment Limited Partnership, an affiliate of Clairvest, has agreed to provide a secured super-priority debtor-in-possession non-revolving credit facility of up to \$12,600,000 (the

- 2 -

indebtedness thereunder, including outstanding interest, fees and costs incurred relating thereto, at any given time, the “**Clairvest DIP Indebtedness Amount**”).

- F. The Buyer and the Clairvest Convertible Debentureholders are affiliates.
- G. The Seller wishes to sell, and the Buyer wishes to purchase as a “stalking horse bidder” pursuant to the Sale Procedures and the Sales Procedures Order (each, as defined herein), the Purchased Assets (as defined herein), subject to the terms and conditions of this Agreement.
- H. The Seller has determined that it is in the best interests of its stakeholders to enter into this Agreement, subject to the terms and conditions herein, and to consummate the transactions contemplated herein on the terms set forth herein.

NOW THEREFORE in consideration of the mutual covenants and agreements contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which are acknowledged), the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement,

- (a) “**affiliate**” of any Person means, at the time such determination is being made, any other Person controlling, controlled by or under common control with such first Person, in each case, whether directly or indirectly through one or more intermediaries, and “control” and any derivation thereof means the control by one Person of another Person in accordance with the following: a Person (“A”) controls another Person (“B”) where A has the power to determine the management and policies of B by contract or status (for example the status of A being the general partner of B) or by virtue of beneficial ownership of a majority of the voting interests in B; and for certainty and without limitation, if A owns shares to which are attached more than 50% of the votes permitted to be cast in the election of directors (or other Persons performing a similar role) of B, then A controls B for this purpose;
- (b) “**Agreement**” means this Asset Purchase Agreement and all attached Schedules, in each case as the same may be supplemented, amended, restated or replaced from time to time, and the expressions “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions refer to this Agreement and all attached Schedules and unless otherwise indicated, references to Articles, Sections and Schedules are to Articles, Sections and Schedules in this Agreement;
- (c) “**Applicable Law**” means any domestic or foreign statute, law (including the common law), ordinance, rule, regulation, restriction, by-law (zoning or otherwise), order, or any consent, exemption, approval or licence of any

- 3 -

Governmental Authority, that applies in whole or in part to the Transaction, the Seller, the Buyer, the Business or any of the Purchased Assets;

- (d) “**Approval and Vesting Order**” means the form of Court order attached as Schedule “1.1(d)” hereto, with any amendments thereto to be acceptable to each of Seller and Buyer, each acting reasonably;
- (e) “**Assigned Contracts**” has the meaning given to such term in Section 2.1(c); and
- (f) “**Assumed Liabilities**” has the meaning given to such term in Section 2.2;
- (g) “**Business**” has the meaning given to such term in Recital A;
- (h) “**Business Day**” means any day, other than a Saturday or Sunday, on which the principal commercial banks in Toronto are open for commercial banking business during normal banking hours;
- (i) “**Buyer**” has the meaning given to such term in the preamble to this Agreement;
- (j) “**CCAA**” has the meaning given to such term in Recital C;
- (k) “**CCAA Proceedings**” has the meaning given to such term in Recital C;
- (l) “**Clairvest Convertible Debentureholders**” has the meaning given to such term in Recital D;
- (m) “**Clairvest Convertible Debentures**” means the convertible debentures issued by the Seller on September 23, 2011, and administered by Clairvest GP;
- (n) “**Clairvest Convertible Debentures Indebtedness Assumption Amount**” means the portion of the Clairvest Secured Indebtedness that is to be assumed by the Buyer in partial satisfaction of the Purchase Price, which amount shall be determined pursuant to Section 3.3;
- (o) “**Clairvest DIP Indebtedness Amount**” has the meaning given to such term in Recital E;
- (p) “**Clairvest DIP Indebtedness Assumption Amount**” means the portion of the Clairvest DIP Indebtedness Amount that is to be assumed by the Buyer in partial satisfaction of the Purchase Price, which amount shall be determined pursuant to Section 3.3;
- (q) “**Clairvest GP**” means Clairvest GP Manageco Inc.;
- (r) “**Clairvest Secured Indebtedness Amount**” has the meaning given to such term in Recital D;
- (s) “**Clairvest Security Documents**” means all documents, contracts and agreements pursuant to which Encumbrances have been created or granted to or for the

- 4 -

benefit of the debentureholders under the Clairvest Convertible Debentures and/or Clairvest GP to secure payment and performance of the Seller's obligations to the debentureholders under the Clairvest Convertible Debentures and/or Clairvest GP (including payment of the Clairvest Secured Indebtedness Amount), including debentures, general security agreements, pledges of equity, and aircraft-specific security, charging all or certain present and after-acquired assets, personal property and undertakings of the Seller;

- (t) **"Closing"** means the completion of the Transaction at the Closing Time;
- (u) **"Closing Date"** means July 31, 2018, or such later date as the Parties may agree in writing, acting reasonably;
- (v) **"Closing Documents"** means all contracts, agreements and instruments required by this Agreement to be delivered at or before the Closing;
- (w) **"Closing Time"** means 10:00 a.m. (Toronto time) on the Closing Date or such other time on the Closing Date as the Parties agree in writing that the Closing Time shall take place;
- (x) **"Confidential Information"** means non-public, confidential, personal or proprietary information which is furnished to a Party by the other Party, including, without limitation, information about identifiable individuals, any information relating to a Party and its Affiliates or any customer or supplier of a Party; provided that "Confidential Information" does not include information that:
 - (i) is or becomes generally available to the public other than as a result of disclosure in breach of this Agreement;
 - (ii) is received by a Party from a third party that obtained it lawfully and was under no duty of confidentiality;
 - (iii) was lawfully in a Party's possession prior to disclosure thereof by the other Party; or
 - (iv) was independently developed by a Party without use of, or reference to, the other Party's Confidential Information;
- (y) **"Contracts"** means contracts, licences, permits, leases, agreements, commitments, entitlements or engagements;
- (z) **"Court"** has the meaning given to such term in Recital C;
- (aa) **"Court Approval"** means the issuance of the Approval and Vesting Order by the Court;
- (bb) **"Court Orders"** has the meaning given to such term in Section 8.1(c);

- 5 -

- (cc) “**DIP Credit Agreement**” means the debtor-in-possession loan term sheet between CEP IV Co-Investment Limited Partnership and the Seller;
- (dd) “**DMS**” has the meaning given to such term in Recital B;
- (ee) “**DMS Business**” has the meaning given to such term in Recital B;
- (ff) “**DMS Shares**” has the meaning given to such term in Section 2.1(b);
- (gg) “**Encumbrance**” means any security interest, lien, prior claim, charge, hypothec, hypothecation, reservation of ownership, pledge, encumbrance, mortgage or adverse claim of any nature or kind;
- (hh) “**Excluded Liabilities**” has the meaning given to such term in Section 2.2;
- (ii) “**Final**” with respect to any order of any court of competent jurisdiction, means that leave to appeal or reconsideration shall not have been sought in respect of such order and that such order shall not have been stayed, appealed, varied (except with the consent of the Buyer and Seller) or vacated, and all time periods within which leave to appeal and reconsideration could at law be sought shall have expired and all time periods within which such order could at law be appealed shall have expired;
- (jj) “**Governmental Authority**” means any domestic or foreign government, regulatory authority, governmental department, agency, ministry, commission, bureau, court (including the Court), tribunal, judicial body, arbitral body, commission, stock exchange, board or other law, rule or regulation-making entity:
 - (i) having jurisdiction over the Seller, the Buyer, the Transaction or the Purchased Assets on behalf of any country, province, state, municipality or other geographical or political subdivision thereof; or
 - (ii) exercising or entitled to exercise any administrative, judicial, legislative, regulatory or Taxing Authority or power;
- (kk) “**Governmental Authorizations**” means the permits, licences, approvals and authorizations, orders, certificates, consents, directives, notices, licences, permits, variances, registrations or other rights issued to or held or required by the Seller relating to the Business or any of the Purchased Assets by or from any Governmental Authority;
- (ll) “**HST**” means the sales tax payable under the HST Legislation;
- (mm) “**HST Legislation**” means Part IX of the *Excise Tax Act* (Canada);
- (nn) “**IFRS**” means International Financial Reporting Standards;

- 6 -

- (oo) “**including**” and “**includes**” shall be interpreted on an inclusive basis and shall be deemed to be followed by the words “without limitation”;
- (pp) “**Initial CCAA Order**” has the meaning given to such term in Recital C;
- (qq) “**Material Adverse Change**” or “**Material Adverse Effect**” means any change, development, effect, event, circumstance, fact or occurrence that, individually or in the aggregate with such other changes, developments, effects, events, circumstances, facts or occurrences, is, or would reasonably be expected to be, material and adverse to the business, properties, assets, liabilities (contingent or otherwise), condition (financial or otherwise), operations or results of operations of the Seller, the Business, the DMS Business and/or the Purchased Assets, or that prevents or materially delays or would reasonably be expected to prevent or materially delay the Seller from Closing; other than any change, development, effect, event, circumstance, fact or occurrence arising out of, attributable to or resulting from: (A) any action expressly required or permitted by this Agreement or relating to the Seller’s current financial condition, including the CCAA Proceedings; (B) general political, economic or financial conditions in Canada or elsewhere in the world; (C) any change generally affecting the industries in which the Business and/or the DMS Business is conducted (including changes in prices, costs of materials, labor, or shipping, general market prices, or regulatory changes in any such industry); (D) acts of terrorism or war (whether or not declared); (E) any changes to existing Applicable Law (including the interpretation thereof); (F) any changes to IFRS or the adoption, implementation or proposal of any new accounting principles; (G) hurricanes, earthquakes, storms, floods or other natural disasters, epidemics, pandemics, outbreak or escalation of hostilities, the declaration of war, acts or terrorism, or acts of God; (H) any action consented to by the Buyer; (I) any failure by the Seller to meet any projections or estimates (including internal projections or estimates) of revenues, earnings, working capital or performance for any period; or (J) material dispositions or change in financial circumstances from a sale under the Sale Procedures;
- (rr) “**Monitor**” has the meaning given to such term in Recital C;
- (ss) “**Monitor’s Certificate**” means the certificate filed with the Court by the Monitor certifying that the Monitor has received written confirmation, in form and substance satisfactory to the Monitor, from the Seller and the Buyer that: (i) all conditions to Closing set forth in Article 6 have been satisfied or waived; and (ii) the Buyer has paid, and the Seller has received, the Purchase Price;
- (tt) “**Parties**” means the Seller and the Buyer collectively, and “**Party**” means either the Seller or the Buyer, as applicable;
- (uu) “**Permitted Encumbrances**” means, with respect to the Purchased Assets:
 - (i) Encumbrances imposed by Applicable Law that rank in priority as at the Closing Date to the Encumbrances created by or resulting from the

- 7 -

- Clairvest Security Documents, including, but not limited to: (i) any applicable Encumbrances in favour of mechanics, labourers, workmen, builders, contractors, suppliers of goods or services, or other similar Encumbrances incidental to construction, maintenance or repair operations; and (ii) any applicable purchase money security interests under applicable personal property security legislation; and
- (ii) other than for any restrictions in respect of the Transaction, any transfer restrictions on the DMS Shares;
 - (vv) “**Person**” means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority or other entity however designated or constituted;
 - (ww) “**Purchase Price**” has the meaning given to such term in Section 3.1;
 - (xx) “**Purchased Assets**” has the meaning given to such term in Section 2.1;
 - (yy) “**Restricted Rights**” has the meaning given to such term in Section 2.3;
 - (zz) “**Sale Procedures**” means the sale solicitation process scheduled to the Sale Procedures Order, with any amendments thereto to be acceptable to each of the Seller and the Buyer, each acting reasonably;
 - (aaa) “**Sale Procedures Order**” means the form of Court order attached as Schedule “1.1(aaa)” hereto, with any amendments thereto to be acceptable to each of Seller and Buyer, each acting reasonably;
 - (bbb) “**Seller**” has the meaning given to such term in the preamble to this Agreement;
 - (ccc) “**Tax**” and “**Taxes**” means any and all:
 - (i) taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Authority, including those with respect to goods and services, harmonized sales, transfer, land transfer, use, real or personal property, and registration fees; and
 - (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority on or in respect of amounts of the type described in clause (i) above or this clause (ii);
 - (ddd) “**Tax Act**” means the *Income Tax Act* (Canada), as amended and any relevant legislation of a province imposing tax similar to the *Income Tax Act* (Canada);

- 8 -

- (eee) “**Taxing Authority**” means any Governmental Authority, domestic or foreign, having jurisdiction over the assessment, determination, collection, or other imposition of any Tax;
- (fff) “**Transaction**” means, collectively, the of sale and purchase of the Purchased Assets pursuant to this Agreement and all other transactions contemplated by this Agreement that are to occur contemporaneously with the sale and purchase of the Purchased Assets;
- (ggg) “**Transfer Taxes**” has the meaning given to such term in Section 7.4(c);
- (hhh) “**Transition Services**” has the meaning given to such term in Section 7.6; and
- (iii) “**Transition Services Agreements**” has the meaning given to such term in Section 7.6.

1.2 Schedules

The schedules to this Agreement are an integral part of this Agreement.

<u>Schedule</u>	<u>Description</u>
Schedule 1.1(d)	Form of Approval and Vesting Order
Schedule 1.1(aaa)	Sale Procedures Order
Schedule 2.1(c)	Assigned Contracts

1.3 Statutes

Unless specified otherwise, reference in this Agreement to a statute refers to that statute as it may be amended, or to any restated or successor legislation of comparable effect.

1.4 Headings and Table of Contents

The inclusion of headings and a table of contents in this Agreement is for convenience of reference only and shall not affect the construction or interpretation hereof.

1.5 Gender and Number

In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.

1.6 Currency

Except where otherwise expressly provided, all amounts in this Agreement are stated and shall be paid in Canadian dollars.

1.7 Invalidity of Provisions

Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof.

1.8 Entire Agreement

This Agreement and the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties and set out all the covenants, promises, warranties, representations, conditions and agreements between the Parties in connection with the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, pre-contractual or otherwise. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, whether oral or written, pre-contractual or otherwise, express, implied or collateral between the Parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement and any document required to be delivered pursuant to this Agreement.

1.9 Waiver, Amendment

Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless executed in writing by all Parties hereto. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

1.10 Governing Law; Jurisdiction and Venue

This Agreement, the rights and obligations of the Parties under this Agreement, and any claim or controversy directly or indirectly based upon or arising out of this Agreement or the Transaction (whether based on contract, tort, or any other theory), including all matters of construction, validity and performance, shall in all respects be governed by, and interpreted, construed and determined in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein, without regard to the conflicts of law principles thereof. The Parties consent to the exclusive jurisdiction and venue of the Court prior to a Final order of the Court terminating the CCAA Proceedings and thereafter to the Courts of Ontario for the resolution of any disputes arising under this Agreement. Each Party agrees that service of process on such Party as provided in Section 11.6 shall be deemed effective service of process on such Party.

ARTICLE 2 PURCHASE AND SALE

2.1 Agreement to Purchase and Sell Purchased Assets

Upon and subject to the terms and conditions of this Agreement, at the Closing the Seller shall sell, assign, transfer, convey and deliver, and the Buyer shall purchase, free and clear of all

- 10 -

Encumbrances other than the Permitted Encumbrances, all of the Seller's right, title and interest in, to and under, or relating to, the assets, property and undertaking, owned by the Seller and used solely in connection with or for the benefit of DMS and the DMS Business (collectively the "**Purchased Assets**"), including, without limitation, the following property, assets and undertaking:

- (a) *DMS Shares* – 22,883,047 issued and outstanding Class A common shares in the capital of DMS (the "**DMS Shares**"), together with any share certificates, powers of attorney, endorsements, rights to purchase or otherwise acquire or obtain any additional shares of, or equity in, DMS, including without limitation, any and all conversion rights in respect thereof, and transfer powers evidencing or in respect of the DMS Shares;
- (b) *Books and Records* – all original books and records, minute books, corporate seals, Tax records, taxpayer and other identification numbers and other documents relating thereto, and records otherwise relating to the organization, maintenance and existence of DMS as a Person or otherwise relating to the DMS Business or any administrative functions in respect thereof (including, without limitation, all books and records relating to any accounting, finance, payroll, human resource, and other administrative functions), and whether in hardcopy or electronic form;
- (c) *Assigned Contracts* – each of the Contracts relating to the DMS Business set out on Schedule 2.1(c) hereto, as such schedule may be amended by Buyer in its sole discretion prior to Closing to add or remove Contracts (provided, for greater certainty, that there shall be no change in the Purchase Price resulting from any such additions or deletions to the schedule) (the "**Assigned Contracts**");
- (d) *Intercompany and Certain Other Claims* – any and all debts, liabilities, obligations, causes of action and other claims that Seller may have against DMS and the officers and directors of DMS, whether presently existing or contingent, or otherwise based on facts in existence and knowable to the Seller as of the Closing Date; and
- (e) *Other Assets* – any other property, assets and undertaking of the Seller that are specifically identified by the Buyer on or before Closing and that relate solely to the conduct of the DMS Business (provided, for greater certainty, that there shall be no further increase in the Purchase Price resulting therefrom).

2.2 Assumption and/or Satisfaction of Liabilities

The Buyer shall assume and/or establish terms with the applicable lenders in respect of the principal debts of the Seller as of the Closing Date, and shall pay, discharge and perform, as the case may be, from and after the Closing Date the following liabilities and obligations of the Seller (collectively, the "**Assumed Liabilities**"):

- (a) *Obligations under Assigned Contracts, etc.* – all liabilities and obligations (including any cure costs but excluding any post-filing costs, such post-filing costs to be paid by the Seller) under or in respect of the Assigned Contracts;

- 11 -

- (b) *Clairvest Convertible Debentures Indebtedness Assumption* – liabilities and obligations under the Clairvest Convertible Debentures equal to the Clairvest Convertible Debentures Indebtedness Assumption Amount;
- (c) *CIBC Indebtedness* – all liabilities and obligations arising from, or in relation to, the Amended and Restated Credit Agreement among, *inter alia*, the Seller, the Canadian Imperial Bank of Commerce and DMS, as a guarantor, dated May 26, 2015;
- (d) *Element Indebtedness* – all liabilities and obligations arising from, or in relation to, an Aircraft Loan Agreement, dated as of January 31, 2014, as amended, and an Aircraft Loan Agreement, dated of March 31, 2014, each among, *inter alia*, the Seller, Element Financial Corporation and DMS, as a guarantor;
- (e) *RoyNat Indebtedness* – all liabilities and obligations arising from, or in relation to, an Aircraft Loan Agreement, dated as of March 26, 2012, as amended, among, *inter alia*, the Seller, Roynat Inc. and DMS;
- (f) *Intercompany Obligations* – all liabilities and obligations arising from, or in relation to, intercompany transactions between the Seller and DMS; and
- (g) *Permitted Encumbrances* – all liabilities and obligations arising from, or in relation to, the Permitted Encumbrances,

but the Buyer shall not be liable for, or assume, any other obligations or liabilities of the Seller (all such other obligations or liabilities, the “**Excluded Liabilities**”).

2.3 Assignment of Purchased Assets

The Seller and the Buyer shall use their reasonable commercial efforts to obtain prior to the Closing Date any necessary consents or approvals in order to assign the Assigned Contracts. To the extent assignable and transferable to the Buyer, all Assigned Contracts shall be assigned by the Seller to the Buyer on Closing.

Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an agreement to assign or transfer any Purchased Asset or any right thereunder if an attempted assignment or transfer of such Purchased Asset or right thereunder without the consent of a third Person would constitute a breach thereunder (“**Restricted Rights**”), unless: (i) such consent is obtained; or (ii) the assignment has been ordered by the Court. The Seller shall hold any such Restricted Rights in trust for the Buyer until such time as consent and/or approval has been obtained, to the extent applicable. If a consent to transferring the Restricted Rights to the Buyer is not obtained, or such assignment is not attainable, the Seller and the Buyer will cooperate and use their respective commercially reasonable efforts to implement a mutually agreeable arrangement pursuant to which the Buyer will obtain the benefits and assume the liabilities and obligations related to such Restricted Rights in accordance with this Agreement including, at the election and expense of the Buyer, applying to the Court before or after Closing for an order compelling the assignment and for related relief, including, without limitation, pursuant to Section 11.3 of the CCAA.

- 12 -

The Seller and the Buyer shall use their reasonable commercial efforts to obtain prior to the Closing Date any necessary consents or approvals arising from, or in relation to, any change of control provisions in Contracts of DMS. If any such consent or approval is not obtained, or any such consent or approval is not attainable, the Seller and the Buyer will cooperate and use their respective commercially reasonable efforts to implement a mutually agreeable arrangement pursuant to which DMS will continue to enjoy the benefits of, and remain liable and obligated under, such Contracts of DMS, including, at the election and expense of the Buyer, applying to the Court before or after Closing for an order compelling, overriding, or obviating the need to obtain, any such approval or consent and for related relief.

In the event that the Transaction is subject to a consent requirement pursuant to any Contract of DMS so as not to be in breach of, or to otherwise permit the termination of, such Contract, the Seller and the Buyer shall use their reasonable commercial efforts to obtain any such consent on or before Closing.

To the extent that the Seller would incur any out-of-pocket costs and expenses after the Closing Time in order to comply with a specific obligation under this Section 2.3, the Seller shall not have to incur such out-of-pocket costs and expenses to comply with such obligation unless the Buyer shall have provided the Seller with the funds necessary to pay such out-of-pocket costs and expenses.

Notwithstanding the foregoing: (i) nothing in this Section 2.3 shall require the Seller to renew any Restricted Rights once they have expired; and (ii) any efforts required of the Seller pursuant to this Section 2.3 shall be strictly on an interim basis and in no event be required to continue for more than 120 days following the Closing Date.

2.4 Excluded Obligations

Other than the Assumed Liabilities, the Buyer shall not assume and shall not be liable, directly or indirectly, or otherwise responsible for any debts, liabilities or other obligations of the Seller to any Person.

2.5 “As is, Where Is”

The Buyer acknowledges and agrees that all of the Purchased Assets are being purchased on an “as is, where is” basis as they shall exist at Closing. Unless and solely to the extent expressly set forth in this Agreement, no representation, warranty or covenant is expressed or implied by the Seller, including any warranties as to title, encumbrances, description, merchantability or fitness for a particular purpose, environmental compliance, condition, quantity or quality, or in respect of any other matter or thing whatsoever concerning the Business, the DMS Business and/or the Purchased Assets or the right of the Seller to sell or assign the same. Without limiting the generality of the foregoing, any and all conditions, warranties, or representations expressed or implied pursuant to the *Sale of Goods Act* (Ontario), as amended, or similar legislation do not apply hereto and have been waived by the Buyer. This Section 2.5 shall not merge on Closing and is deemed incorporated by reference into all Closing Documents and deliveries.

ARTICLE 3 PURCHASE PRICE AND RELATED MATTERS

3.1 Purchase Price

The purchase price payable by the Buyer to the Seller for the Purchased Assets (the “**Purchase Price**”) shall be: (i) the amount of the Clairvest DIP Indebtedness Assumption Amount; plus (ii) the Clairvest Convertible Debentures Indebtedness Assumption Amount, which amounts, in the aggregate, total \$5,000,000; plus (iii) the amount of the Assumed Liabilities (less each of the Clairvest DIP Indebtedness Assumption Amount and the Clairvest Convertible Debentures Indebtedness Assumption Amount). The Buyer shall satisfy the Purchase Price at the Closing Time by: (i) assuming liabilities and obligations under the DIP Credit Agreement equal to the Clairvest DIP Indebtedness Assumption Amount; (ii) assuming liabilities and obligations under the Clairvest Convertible Debentures equal to the Clairvest Convertible Debentures Indebtedness Assumption Amount; and (iii) assuming and/or providing for the satisfaction of the Assumed Liabilities (less each of the Clairvest DIP Indebtedness Assumption Amount and the Clairvest Convertible Debentures Indebtedness Assumption Amount).

On or before Closing, the Buyer shall have the right, but not the obligation, to assume additional Clairvest DIP Indebtedness Amounts and/or Clairvest Secured Indebtedness Amounts that are not otherwise assumed by the Buyer pursuant to the preceding paragraph.

3.2 Purchase Price Allocation Among Purchased Assets

The Purchase Price shall be allocated among each class of Purchased Assets as agreed by the Parties on or before Closing, acting reasonably. Such allocation shall be binding and the Buyer and the Seller shall each report the purchase and sale of the Purchased Assets for all tax purposes in a manner consistent with such allocation, and will complete and file all tax returns, designations, elections and filings that are necessary or desirable under the Tax Act to give effect to such allocations and shall not take any position or action inconsistent with such allocation.

3.3 Purchase Price Allocation Between Purchase Price Components

The Purchase Price (other than the Assumed Liabilities component described in Section 3.1(iii)) shall be allocated between the Clairvest Convertible Debentures Indebtedness Assumption Amount and the Clairvest DIP Indebtedness Assumption Amount, as determined by the Buyer, in its sole discretion, on or before Closing. Such allocation shall be binding and the Buyer and the Seller shall each report the purchase and sale of the Purchased Assets for all tax purposes in a manner consistent with such allocation, and will complete and file all tax returns, designations, elections and filings that are necessary or desirable under the Tax Act to give effect to such allocations and shall not take any position or action inconsistent with such allocation.

- 14 -

ARTICLE 4 REPRESENTATIONS AND WARRANTIES BY THE SELLER

The Seller represents and warrants to the Buyer and acknowledges that the Buyer is relying upon the following representations and warranties in connection with its purchase of the Purchased Assets the matters set out below:

4.1 Existence

The Seller is duly incorporated, organized and existing under the laws of its jurisdiction of organization. DMS is duly organized and validly existing under the laws of its jurisdiction of organization.

4.2 Recitals

The Recitals hereto are true and correct as of the date of this Agreement.

4.3 Due Authorization and Enforceability of Obligations

Subject to Court Approval being obtained, the Seller has all necessary power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement. The execution and delivery of each of this Agreement, the Closing Documents and the consummation of the Transaction has been duly authorized by all necessary corporate action of the Seller. This Agreement has been, and at the Closing Time the Closing Documents will be, duly executed and delivered by the Seller and constitutes a valid and binding obligation of the Seller enforceable against it in accordance with its terms, as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization and similar laws affecting creditors generally and by general principles of equity.

4.4 Right to Sell, and Title to, Purchased Assets

The Seller is the registered and/or beneficial owner of the Purchased Assets, with good and marketable title thereto. At the Closing, the Seller shall convey to the Buyer all of the Seller's right, title and interest in and to the Purchased Assets free and clear of all Encumbrances except for Permitted Encumbrances, except with respect to any Assigned Contracts for which consent of a third Person is required for an assignment of such Contract and has not been obtained at the Closing Time.

4.5 DMS Shares

Other than the Clairvest Convertible Debentureholders, the Canadian Imperial Bank of Commerce, Element Financial Corporation and RoyNat Inc., the DMS Shares have not been pledged by the Seller to any Person. The Seller does not hold and has not at any time granted to any Person: (i) any presently outstanding rights or privileges to acquire any unissued equity of DMS; (ii) any right to purchase or otherwise acquire all or any part of the DMS Shares; or (iii) any presently outstanding options, warrants, stock plans or other instruments convertible into equity or other securities of DMS or pursuant to which any Person may acquire equity or other securities of DMS.

- 15 -

4.6 Absence of Conflicts

Except for Court Approval, the Seller is not a party to, bound or affected by or subject to any provision in its articles, by-laws or other constating documents or Applicable Laws or Governmental Authorizations that would be violated, breached by, or under which any default would occur or with notice or the passage of time would be created as a result of the execution and delivery of, or the performance of obligations under, this Agreement or any Closing Documents to be entered into or delivered under the terms of this Agreement, except for any violations, breaches or defaults or any Applicable Laws or Governmental Authorizations that would not have a Material Adverse Effect on the conduct of the Business or on the ability of the Seller to consummate the Transaction.

4.7 Approvals and Consents

Except for: (a) Court Approval; (b) any consent required in connection with the assignment of any Assigned Contract or any Purchased Asset; and (c) any consent or approval arising from, or in relation to, any change of control provisions in Contracts of DMS, no authorization, consent or approval of, or filing with or notice to, any Governmental Authority or any other Person is required in connection with the execution, delivery or performance of this Agreement by the Seller and each of the Closing Documents to be executed and delivered by the Seller hereunder or the purchase of any of the Purchased Assets hereunder.

4.8 Residence of the Seller

The Seller is not a non-resident of Canada within the meaning of section 116 of the Tax Act.

4.9 HST Registration

The Seller is registered for purposes of HST Legislation and will provide its registration numbers to the Buyer.

4.10 Brokers

No broker, finder or investment banker is entitled to any brokerage commission, finder's fee or other similar payment in connection with the Transaction based upon arrangement made by or on behalf of the Seller.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF THE BUYER

The Buyer represents and warrants to the Seller as follows, and acknowledges that the Seller is relying upon the following representations and warranties in connection with its sale of the Purchased Assets:

5.1 Existence

The Buyer is duly organized and validly existing under the laws of its jurisdiction of organization.

5.2 Recitals

The Recitals hereto are true and correct as of the date of this Agreement.

5.3 Due Authorization and Enforceability of Obligations

The Buyer has all necessary power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement. The execution and delivery of this Agreement and the consummation of the Transaction have been duly authorized by all necessary action of the Buyer. This Agreement has been duly executed and delivered by the Buyer and constitutes a valid and binding obligation of the Buyer enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization and similar laws affecting creditors generally and by general principles of equity. At the Closing Time, the Closing Documents required by this Agreement to be delivered by the Buyer will be duly executed and delivered by the Buyer and will constitute a valid and binding obligation of the Buyer enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization and similar laws affecting creditors generally and by general principles of equity.

5.4 Absence of Conflicts

The Buyer is not a party to, bound or affected by or subject to any provision in its articles, by-laws or other constating documents or Applicable Laws or governmental authorizations, approvals, franchises, orders, certificates, consents, directives, notices, licences, permits, variances, registrations or other rights issued, granted or given by or from any Governmental Authority that would be violated, breached by, or under which any default would occur or with notice or the passage of time would, be created as a result of the execution and delivery of, or the performance of obligations under, this Agreement or any other agreement or document to be entered into or delivered under the terms of this Agreement, except for any violations, breaches or defaults or any Applicable Laws or any governmental authorizations, approvals, orders, certificates, consents, directives, notices, licences, permits, variances, registrations or other rights issued, granted or given by or from any Governmental Authority, that would not have a material and adverse effect on the ability of the Buyer to consummate the transactions hereunder.

5.5 Approvals and Consents

Except for: (a) Court Approval; (b) any consent required in connection with the assignment of any Assigned Contract or any Purchased Asset; and (c) any consent or approval arising from, or in relation to, any change of control provisions in Contracts of DMS, no authorization, consent or approval of, or filing with or notice to, any Governmental Authority or any other Person is required in connection with the execution, delivery or performance of this

- 17 -

Agreement by the Buyer and each of the Closing Documents to be executed and delivered by the Buyer hereunder or the purchase of any of the Purchased Assets hereunder.

5.6 Residence of the Buyer

The Buyer is not a non-resident of Canada within the meaning of section 116 of the Tax Act.

5.7 HST Registration

The Buyer, or its assignee(s) acquiring the Purchased Assets, is, or at the Closing Time will be, registered for purposes of HST Legislation and will provide its registration numbers to the Seller.

5.8 Investment Canada Act

The Buyer is (a) either a “Canadian” or “WTO investor” within the meaning of the *Investment Canada Act*; and (b) is not a “state-owned enterprise” within the meaning of the *Investment Canada Act*.

5.9 No Additional Due Diligence

The Buyer acknowledges and agrees that: (a) it has had an opportunity to conduct any and all due diligence regarding the Purchased Assets and the Business prior to the execution of this Agreement; (b) it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Purchased Assets and/or the Business; (c) it is not relying upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied, (by operation of law or otherwise), regarding the Purchased Assets or the Business or the completeness of any information provided in connection therewith, except as expressly stated in this Agreement; and (d) the obligations of the Buyer under this Agreement are not conditional upon any additional due diligence.

5.10 Brokers

No broker, finder or investment banker is entitled to any brokerage commission, finder’s fee or other similar payment in connection with the Transaction based upon arrangement made by or on behalf of the Buyer.

ARTICLE 6 CONDITIONS

6.1 Conditions for the Benefit of the Buyer and the Seller

The respective obligations of the Buyer and of the Seller to consummate the Transaction are subject to the satisfaction of, or compliance with, at or prior to the Closing Time, each of the following conditions for their mutual benefit:

- 18 -

- (a) no provision of any Applicable Law and no judgment, injunction, order or decree that prohibits the consummation of the Transaction pursuant to this Agreement shall have been issued and in effect;
- (b) no motion, action or proceedings shall be pending by or before a Governmental Authority to restrain or prohibit the completion of the Transaction;
- (c) the Sale Procedures Order shall have been issued and entered on or before April 4, 2018, or on or before such later date as the Parties agree to in writing, and shall be Final;
- (d) this Agreement is the Successful Bid (as defined in the Sale Procedures);
- (e) the Approval and Vesting Order shall have been issued and entered on or before June 28, 2018, or on or before such later date as the Parties agree to in writing, and shall be Final;
- (f) the Court shall not have permanently declined to grant the Approval and Vesting Order; and
- (g) the Buyer shall sign, and be bound by, the terms of all shareholders' agreements in respect of DMS.

If the conditions set out in this Section 6.1 are not satisfied, performed or mutually waived on or before the Closing Date, either Party shall have the option to terminate this Agreement upon written notice to the other Party.

6.2 Conditions for the Benefit of the Buyer

The obligation of the Buyer to consummate the Transaction is subject to the satisfaction of, or compliance with, or waiver by the Buyer of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Buyer):

- (a) the representations and warranties of the Seller set forth in this Agreement shall be true and correct at the Closing Time with the same force and effect as if made at and as of such time, except where any failure or failures of any such representations and warranties to be so true and correct would not, individually or in the aggregate, cause a Material Adverse Change (and, for this purpose, any reference to "material", "Material Adverse Change" or any other concept of materiality in such representations and warranties shall be ignored);
- (b) the covenants contained in this Agreement to be performed by the Seller at or prior to the Closing Time shall have been performed in all material respects as at the Closing Time;
- (c) after the date of this Agreement and before the Closing Time, there shall not have occurred any Material Adverse Change;

- 19 -

- (d) the Buyer shall have received on Closing a certificate confirming the satisfaction of the conditions contained in Sections 6.2(a) and 6.2(b), signed for and on behalf of the Seller without personal liability by an executive officer of the Seller or other Persons reasonably acceptable to the Buyer, in each case in form and substance reasonably satisfactory to the Buyer;
- (e) the Closing Documents, all other documents relating to the due authorization and completion of the Transaction and all actions and proceedings taken on or prior to the Closing in connection with the performance by the Seller of its obligations under this Agreement shall be satisfactory to the Buyer, acting reasonably, and the Buyer shall have received copies of all such documents and evidence that all such actions and proceedings have been taken as it may reasonably request in form and substance reasonably satisfactory to the Buyer;
- (f) the Purchased Assets shall be assigned and transferred to the Buyer free and clear of all Encumbrances other than Permitted Encumbrances in accordance with the Approval and Vesting Order, and the releases or discharges of all Encumbrances other than Permitted Encumbrances against the Purchased Assets, including any Court-ordered charges in the CCAA Proceedings, shall have been obtained in form and substance satisfactory to the Buyer, acting reasonably;
- (g) if, in its sole discretion, the Buyer has required the entry into one or more Transition Services Agreements, then all such Transition Services Agreements shall have been entered into among the Buyer, the Seller, DMS and the Seller's other subsidiaries, or any combination thereof, each in form and substance acceptable to the Buyer, acting reasonably;
- (h) the Seller shall not have repudiated or terminated the Services Agreement made as of March 21, 2018, among the Seller and its subsidiaries, and shall not have ceased performing its obligations thereunder; and
- (i) since the date first written above, no Material Adverse Change shall have occurred.

Any condition in this Section 6.2 may be waived by the Buyer in whole or in part, without prejudice to its rights of termination in the event of non-fulfillment of any other condition in whole or in part. If any condition set out in this Section 6.2 is not satisfied, performed or waived on or prior to the date specified therefor, the Buyer may elect on written notice to the Seller to terminate this Agreement.

6.3 Conditions for the Benefit of the Seller

The obligation of the Seller to consummate the Transaction is subject to the satisfaction of, or compliance with, or waiver where applicable, by the Seller of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Seller):

- 20 -

- (a) the representations and warranties of the Buyer set forth in this Agreement shall be true and correct in all material respects at the Closing Time with the same force and effect as if made at and as of such time;
- (b) the covenants contained in this Agreement to be performed by the Buyer at or prior to the Closing Time shall have been performed in all material respects as at the Closing Time;
- (c) the Seller shall have received on Closing a certificate confirming the satisfaction of the conditions contained in Sections 6.3(a) and 6.3(b) signed for and on behalf of the Buyer without personal liability by an executive officer of the Buyer or other persons reasonably acceptable to the Seller, in each case in form and substance reasonably satisfactory to the Seller; and
- (d) all other Closing Documents required pursuant to this Agreement to be delivered by the Buyer on Closing in form and substance reasonably satisfactory to the Seller.

Any condition in this Section 6.3 may be waived by the Seller in whole or in part, without prejudice to its rights of termination in the event of non-fulfillment of any other condition in whole or in part. If any condition set out in this Section 6.36.2 is not satisfied, performed or waived on or prior to the date specified therefor, the Seller may elect on written notice to the Buyer to terminate this Agreement.

ARTICLE 7 ADDITIONAL AGREEMENTS OF THE PARTIES

7.1 Access to Information

Until the Closing Time, and subject to the terms and conditions of the Sale Procedures and the Sale Procedures Order, the Seller shall give to the Buyer's personnel engaged in the Transaction and their accountants, advisers, consultants and representatives during normal business hours reasonable access to its premises and to all of the books and records relating to the Business and the Purchased Assets, and the Seller shall furnish them with all such information relating to the Business and the Purchased Assets as the Buyer may reasonably request in connection with the Transaction, and shall coordinate reasonable access by the Buyer to the customers and suppliers of the Business. Notwithstanding anything in this Section 7.1 to the contrary, any such investigation shall be conducted upon reasonable advance notice and in such manner as does not materially disrupt the conduct of the Business. The Seller shall also deliver to the Buyer authorizations to Governmental Authorities necessary to permit the Buyer to obtain information in respect of the Purchased Assets from the files of such Governmental Authorities.

7.2 Covenant Regarding Confidential Information

On or prior to Closing, the Seller shall request any Person that was furnished Confidential Information of the Seller in accordance with the Sale Procedures to return or destroy all such information.

7.3 Further Assurances

Each of the Parties hereto shall promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other Parties hereto may reasonably require from time to time for the purpose of giving effect to this Agreement and shall use commercially reasonable efforts and take all such steps as may be reasonably within its power to implement to their full extent the provisions of this Agreement. Upon and subject to the terms and conditions of this Agreement and subject to the directions of any applicable courts to the Seller, the Parties shall use their commercially reasonable efforts to take or cause to be taken all actions and to do or cause to be done all things necessary proper or advisable under Applicable Laws to consummate and make effective the Transaction, including using commercially reasonable efforts to satisfy the conditions precedent to the obligations of the Parties hereto.

7.4 Tax Matters

- (a) The Buyer and the Seller agree to use commercially reasonable efforts to furnish or cause to be furnished to each other, as promptly as practicable, such information and assistance relating to the Purchased Assets as is reasonably necessary for the preparation and filing of any Tax return, claim for refund or other required or optional filings relating to Tax matters, for the preparation for and proof of facts during any Tax audit, for the preparation for any Tax protest, for the prosecution of any suit or other proceedings relating to Tax matters and for the answer to any governmental or regulatory inquiry relating to Tax matters.
- (b) For purposes of any Tax return related to the Transaction, the Buyer and, to the extent applicable, the Seller, agree to report the Transaction in a manner consistent with the Purchase Price allocation determined in accordance with Section 3.2, and the Buyer and the Seller shall not voluntarily take any action inconsistent therewith in any such Tax return, refund claim, litigation or otherwise, unless required by applicable Tax laws. The Buyer and the Seller shall each be responsible for the preparation of their own statements required to be filed under the Tax Act and other similar forms in accordance with applicable Tax laws.
- (c) All amounts payable by the Buyer to the Seller pursuant to this Agreement are exclusive of any HST, or any other federal, provincial, state or local or foreign value-added, sale, use, consumption, multi-staged, ad valorem, personal property, customs, excise, stamp, transfer, land or real property transfer, or similar Taxes, duties, or charges, or any recording or filing fees or similar charges (collectively, "**Transfer Taxes**"). All Transfer Taxes are the responsibility of and for the account of the Party required to pay such taxes under Applicable Laws. The Buyer and the Seller agree to cooperate to determine the amount of Transfer Taxes payable in connection with the Transaction. If the Seller is required by Applicable Law or by administration thereof to collect any applicable Transfer Taxes from the Buyer, the Buyer shall pay such amounts to the Seller concurrent with the payment of any consideration payable pursuant to this Agreement, and

- 22 -

the Seller shall remit or account for such Transfer Taxes to the applicable Governmental Authority on a timely basis and otherwise in accordance with Applicable Laws.

- (d) The Seller shall not be required to deliver any certificates to the Buyer under section 6 of the Retail Sales Tax Act (Ontario) or under any similar provision contained in any other Applicable Law in respect of the Transfer Taxes.

7.5 Fees and Expenses

Except as expressly provided in this Agreement, all fees and expenses incurred in connection with the negotiation and settlement of this Agreement and the completion of the Transaction, including the fees and disbursements of counsel, financial advisors and accountants, shall be paid by the Person incurring such fees or expenses.

7.6 Transition Services

The Seller shall provide the Buyer with transition services relating to: (i) record keeping, financial, tax and other reporting obligations and other general administrative services as reasonably requested by the Buyer; and (ii) shared Contracts, services and assets both between the Seller and DMS and among the Seller, DMS and one or more of the Seller's other subsidiaries, or between or among any combination of the foregoing parties (the "**Transition Services**"). The Buyer, in its sole discretion, may require that one or more agreements in respect of the Transition Services be entered into among the Buyer, the Seller, DMS and the Seller's other subsidiaries, or any combination thereof, each in form and substance acceptable to the Buyer, acting reasonably, that are necessary or desirable for the operation of the DMS Business, including, without limitation, in the event that affiliates of the Buyer are not the successful bidders in other sales processes for the Seller's assets conducted in the CCAA Proceedings (such agreements, the "**Transition Services Agreements**").

ARTICLE 8 COURT ORDERS

8.1 Court Orders

- (a) As soon as reasonably possible after the execution of this Agreement, the Seller shall file a motion with the Court for the issuance of, and shall use its best efforts to obtain, the Sale Procedures Order. Such motion shall be scheduled for a date that is on or before April 4, 2018, subject to the availability of the Court.
- (b) Within the time period provided for in the Sale Procedures, and provided that the Buyer is the Successful Bidder (as defined in the Sale Procedures), the Seller shall file a motion with the Court for the issuance of, and shall use its best efforts to obtain, the Approval and Vesting Order. Such motion shall be scheduled for a date that is on or before June 28, 2018, subject to the availability of the Court.
- (c) The Buyer shall use its best efforts to obtain any order or relief described in Section 2.3 (such orders and relief, together with the Sale Procedures Order and

- 23 -

the Approval and Vesting Order, collectively, the “**Court Orders**”). The Buyer shall cooperate with the Seller acting reasonably, as may be necessary, in obtaining the Court Orders, as applicable.

- (d) The Buyer and its legal counsel shall be given a reasonable opportunity to review and comment on:
 - (i) the Seller’s motion materials for the issuance of the Sale Procedures Order; and
 - (ii) to the extent that the Buyer is the Successful Bidder, (A) the Seller’s motion materials for the issuance of the Approval and Vesting Order; and (B) any other materials prepared by the Seller in connection with obtaining the Court Orders (for greater certainty, not including any report or materials filed by the Monitor),

which shall be in form and substance satisfactory to the Buyer prior to being served.

- (e) Notice of the motions seeking the issuance and entry of the Court Orders shall be served by the Seller on all Persons required to receive notice under Applicable Laws and the requirements of the Court, and any other Person determined necessary or advisable by the Seller or the Buyer.

ARTICLE 9 TERMINATION

9.1 Termination

This Agreement may be terminated at any time prior to Closing upon the occurrence of any of the following:

- (a) by mutual written consent of the Seller and the Buyer;
- (b) if the Buyer is not the Successful Bidder, by either party upon the earlier of: (i) thirty (30) days after the Bid Deadline (as defined in the Sale Procedures); and (ii) approval by the Court of the Accepted Bid (as defined in the Sale Procedures), provided, however, in the event that the Buyer is the Backup Bidder (as defined in the Sale Procedures), the Buyer may not terminate this Agreement until the closing of the Transaction with the Successful Bidder (as defined in the Sale Procedures);
- (c) by either Party (provided such Party is not in breach of its obligations under this Agreement so as to have caused a closing condition not to be fulfilled), upon written notice to the other, if any condition in Section 6.1 is unsatisfied as of the Closing Date;

- 24 -

- (d) by the Seller (provided that the Seller is not in breach of its obligations under this Agreement so as to have caused a closing condition not to be fulfilled), upon written notice to the Buyer, if any condition in Section 6.3 is unsatisfied on the Closing Date and such violation or breach has not been waived by the Seller or cured by the Buyer within three (3) Business Days after written notice thereof from the Seller to the Buyer; and
- (e) by the Buyer (provided that the Seller is not in breach of its obligations under this Agreement so as to have caused a closing condition not to be fulfilled), upon written notice to the Seller, if any condition in Section 6.2 is unsatisfied on the Closing Date and such violation or breach has not been waived by the Buyer or cured by the Seller within three (3) Business Days after written notice thereof from the Buyer to the Seller.

9.2 Effect of Termination

In the event of termination of this Agreement pursuant to Section 9.1, this Agreement shall forthwith become null and void, except as set forth in Section 9.2 and Article 11, and nothing herein shall relieve any Party from liability for any breach of this Agreement, or to impair the right of any Party to compel specific performance by any other Party of its obligations under this Agreement.

ARTICLE 10 CLOSING

10.1 Location and Time of Closing

The Closing shall take place at the Closing Time on the Closing Date at the Toronto, Ontario offices of Torys LLP, or at such other location as may be agreed upon in writing by the Parties hereto.

10.2 Closing Deliveries

- (a) At the Closing, the Seller shall deliver to the Buyer:
 - (i) the documents required to be delivered by the Seller pursuant to Sections 6.1 and 6.2;
 - (ii) the consents and approvals required to be obtained pursuant to Section 2.3;
 - (iii) one of more bills of sale or general or specific conveyances with respect to the conveyance of the Purchased Assets, in each case executed by the Seller;
 - (iv) to the extent required to be executed by the Seller, an instrument of assumption of liabilities with respect to the Assumed Liabilities;

- 25 -

- (v) actual possession of the Purchased Assets to the Buyer (including the DMS Shares); and
 - (vi) any other documents reasonably requested by the Buyer in order to effect or evidence the consummation of the Transaction or otherwise provided for under this Agreement.
- (b) At the Closing, the Buyer shall deliver to the Seller:
- (i) evidence of the satisfaction of the Purchase Price as provided for in Section 3.1, in form and substance satisfactory to the Seller, acting reasonably;
 - (ii) a document specifying the Purchase Price allocation for tax purposes, as provided for in Section 3.2;
 - (iii) a document specifying the allocation of the Purchase Price (other than the Assumed Liabilities component described in Section 3.1(iii)) between the Clairvest Convertible Debentures Indebtedness Assumption Amount and the Clairvest DIP Indebtedness Assumption Amount, as provided for in Section 3.3;
 - (iv) to the extent required to be executed by the Buyer, one or more bills of sale or general or specific conveyances with respect to the conveyance of the Purchased Assets;
 - (v) an instrument of assumption of liabilities with respect to liabilities and obligations under the DIP Credit Agreement equal to the Clairvest DIP Indebtedness Assumption Amount;
 - (vi) an instrument of assumption of liabilities with respect to liabilities and obligations under the Clairvest Convertible Debentures equal to the Clairvest Convertible Debentures Indebtedness Assumption Amount;
 - (vii) an instrument of assumption of liabilities with respect to, and/or an instrument providing for the satisfaction of, the Assumed Liabilities (less each of the Clairvest DIP Indebtedness Assumption Amount and the Clairvest Convertible Debentures Indebtedness Assumption Amount);
 - (viii) evidence of payment of Transfer Taxes required by Applicable Law to be collected by the Seller, or, alternatively, if applicable, the election(s) referred to in Section 7.4, executed by the Buyer;
 - (ix) the documents required to be delivered by the Buyer pursuant to Section 6.3; and

- 26 -

- (x) any other documents reasonably requested by the Seller in order to effect or evidence the consummation of the Transaction or otherwise provided for under this Agreement.

10.3 Monitor's Certificate

The Parties hereby acknowledge and agree that the Monitor will be entitled to file the Monitor's Certificate with the Court without independent investigation upon receiving written confirmation from the Seller and the Buyer that: (i) all conditions to Closing set forth in Article 6 have been satisfied or waived, and (ii) the Buyer has paid or satisfied, and the Seller has received or received the benefit of, the Purchase Price, and the Monitor will have no liability to the Seller or the Buyer or any other Person as a result of filing the Monitor's Certificate or otherwise in connection with this Agreement or the transactions contemplated hereunder (whether based on contract, tort or any other theory).

ARTICLE 11 GENERAL MATTERS

11.1 Confidentiality

- (a) Except to the extent otherwise specifically provided in this Section 11.1, each Party, on behalf of itself and its affiliates, agrees to keep the other Party's Confidential Information confidential and not to use the other Party's Confidential Information in any manner except as required to perform the obligations set out in this Agreement. Each Party agrees to be responsible for any breach of this Section 11.1 by any of its affiliates and its and their respective directors, employees, advisors, agents and representatives.
- (b) Notwithstanding anything to the contrary herein, each Party maintains the right to disclose the other Party's Confidential Information if required to do so by Applicable Laws or requirement of a Governmental Authority, or to appropriate Tax authorities in order to describe the tax treatment and tax structure of the Transaction; provided that the disclosure of such Confidential Information will be limited only to that purpose and provided further that it will use reasonable efforts to cooperate with the other Party in limiting the disclosure of the Confidential Information.
- (c) At the other Party's request, a Party will destroy all of the other Party's Confidential Information, provided that it is permitted to retain one copy of any Confidential Information to the extent required by Applicable Laws or its internal record keeping policies.
- (d) Any Confidential Information of the Seller that constitutes part of the Purchased Assets will cease to be Confidential Information of the Seller and will become Confidential Information of the Buyer on Closing.

11.2 Public Notices

No press release or other announcement concerning the Transaction shall be made by the Seller or by the Buyer without the prior consent of the other (such consent not to be unreasonably withheld); provided, however, that subject to the last sentence of this Section 11.2, any Party may, without such consent, make such disclosure if the same is required by Applicable Law (including the CCAA Proceedings) or by any insolvency or other court or securities commission or other similar regulatory authority having jurisdiction over such Party or any of its affiliates, and, if such disclosure is required, the Party making such disclosure shall use commercially reasonable efforts to give prior oral or written notice to the other, and if such prior notice is not possible, to give such notice immediately following the making of such disclosure. Notwithstanding the foregoing: (i) this Agreement may be filed by the Seller with the Court; (ii) the Transaction may be disclosed by the Seller to the Court, subject to redacting confidential or sensitive information as permitted by Applicable Laws; and (iii) the Seller may communicate freely with the Monitor as and to the extent required in connection with the CCAA Proceedings, the Sale Procedure and the Court Orders. The Parties further agree that:

- (a) the Seller may prepare and file reports and other documents with the Court containing references to the Transaction and the terms thereof, including for the purpose of obtaining the Court Orders; and
- (b) the Seller and their professional advisors may prepare and file such reports and other documents in the CCAA Proceedings containing references to the Transaction and the terms thereof as may reasonably be necessary to complete the Transaction or to comply with their obligations in connection therewith. Wherever possible, the Buyer shall be afforded an opportunity to review and comment on such materials prior to their filing.

Each of the Parties may issue a press release announcing the execution and delivery of this Agreement, in form and substance mutually agreed to by all of the Parties.

11.3 Survival

The representations and warranties of the Seller in this Agreement or in any agreement, document or certificate delivered pursuant to or in connection with this Agreement or the Transaction are set forth solely for the purpose of Section 6.2 and none of them shall survive Closing. The Seller shall have no liability, whether before or after the Closing, for any breach of the Seller's representations, and the Buyer acknowledges that its exclusive remedy for any such breach shall be termination of this Agreement prior to the Closing (but only if permitted by Section 9.1).

11.4 Non-Recourse

No past, present or future director, officer, employee, incorporator, member, partner, stockholder, affiliate, agent, attorney or representative of the respective Parties hereto, in such capacity, shall have any liability for any obligations or liabilities of the Buyer or the Seller, as applicable, under this Agreement or for any claim based on, in respect of, or by reason of, the Transaction.

11.5 Assignment; Binding Effect

No Party may assign its right or benefits under this Agreement without the consent of the other Party hereto, except that without such consent the Buyer may: (i) assign any or all of its rights and obligations hereunder to one or more of its subsidiaries or affiliates; or (ii) direct that title to all or some of the Purchased Assets be transferred to one or more of its subsidiaries or affiliates, provided that no such assignment or direction shall relieve the Buyer of its obligations hereunder; provided further that if the Buyer shall have assigned all of its rights and obligations hereunder the Buyer shall, immediately following the Closing, be deemed fully released from all of the Buyer's obligations hereunder. References to the Buyer's residency for Tax purposes and to the Buyer's status under the Investment Canada Act are references to the ultimate Buyer. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective permitted successors and permitted assigns. Nothing in this Agreement shall create or be deemed to create any third Person beneficiary rights in any Person or entity not a Party to this Agreement other than the third party beneficiaries of Section 11.4 hereof.

11.6 Notices

Any notice, request, demand or other communication required or permitted to be given to a Party pursuant to the provisions of this Agreement will be in writing and will be effective and deemed given under this Agreement on the earliest of: (i) the date of personal delivery; (ii) the date of transmission by email, with confirmed transmission and receipt (if sent during normal business hours of the recipient, if not, then on the next Business Day); (iii) two days after deposit with a nationally-recognized courier or overnight service such as Federal Express; or (iv) five days after mailing via certified mail, return receipt requested. All notices not delivered personally or by facsimile will be sent with postage and other charges prepaid and properly addressed to the Party to be notified at the address set forth for such Party:

(a) If to the Buyer at:

c/o Clairvest Group Inc.
22 St. Clair Avenue East
Suite 1700
Toronto, Ontario M4T 2S3

Attention: James H. Miller, General Counsel and Corporate Secretary
Email: jmiller@clairvest.com

with copies (which shall not in itself constitute notice) to:

Torys LLP
TD Centre
79 Wellington Street West, 30th Floor
Toronto, Ontario M5K 1N2

Attention: David Bish / Adam Slavens
Email: dbish@torys.com / aslavens@torys.com

- 29 -

(b) If to the Seller at:

Discovery Air Inc.
170 Attwell Drive, Suite 370
Toronto, Ontario M9W 5Z5

Attention: David Kleiman
Email: david.kleiman@discoveryair.com

with copies (which shall not in itself constitute notice) to:

Goldman Sloan Nash & Haber LLP
480 University Ave Suite 1600
Toronto, Ontario M5G 1V2

Attention: Mario Forte / Michael Rotsztain
Email: forte@gsnh.com / rotsztain@gsnh.com

and to:

KSV Kofman Inc.
150 King Street West, Suite 2308
Toronto, Ontario M5H 1J9

Attention: Bobby Kofman / David Sieradzki
Email: bkofman@ksvadvisory.com / dsieradzki@ksvadvisory.com

with copies (which shall not in itself constitute notice) to:

Goodmans LLP
Bay Adelaide Centre – West Tower
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Attention: L. Joseph Latham
Email: jlatham@goodmans.ca


Any Party may change its address for service from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to such Party at its changed address.

11.7 Counterparts; Facsimile Signatures

This Agreement may be signed in counterparts and each of such counterparts shall constitute an original document and such counterparts, taken together, shall constitute one and the same instrument. Execution of this Agreement by any of the Parties hereto may be evidenced by facsimile, scanned e-mail or internet transmission copy of this Agreement bearing such signature which, for all purposes, shall be deemed to be an original signature.

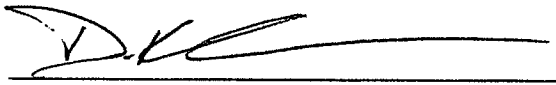
IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the date first written above.

DISCOVERY AIR INC

By:  _____

Name:

Title:

By:  _____

Name:

Title:

10671541 CANADA INC.

By: _____

Name:

Title:

By: _____

Name:

Title:

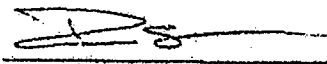
IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the date first written above.

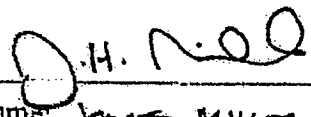
DISCOVERY AIR INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

10671541 CANADA INC.

By: 
Name: Daniel Cheng
Title: Chief Financial Officer

By: 
Name: JAMES MILLER
Title: CORPORATE SECRETARY

Schedule 1.1(d)
Form of Approval and Vesting Order

Court File No.:

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE)
JUSTICE) DAY OF , 2018

IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF DISCOVERY AIR INC.

APPLICANT

**APPROVAL AND VESTING ORDER
(Discovery Mining Services)**

THIS MOTION, made by Discovery Air Inc. (the “Applicant”) for an order approving the sale transaction (the “Transaction”) contemplated by an asset purchase agreement (the “Sale Agreement”) between the Applicant and 10671541 Canada Inc. (the “Purchaser”) dated ■, 2018, and appended to ■, and vesting in the Purchaser the Applicant’s right, title and interest in and to the Purchased Assets (as defined in the Sale Agreement), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING ■, filed, and on hearing the submissions of counsel for the Applicant, KSV Kofman Inc., in its capacity as the monitor of the Applicant (the “Monitor”), and the Purchaser, no one appearing for any other person on the service list, although properly served as appears from the affidavit of ■ sworn ■, 2018, filed:

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Sale Agreement by the Applicant is hereby authorized and approved, with such minor amendments as the Applicant and the Purchaser, with the consent of the Monitor, may agree upon pursuant to the Sale Agreement. The Applicant, with the consent of the Monitor, is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

3. THIS COURT ORDERS AND DECLARES that upon the delivery of a Monitor's certificate to the Purchaser substantially in the form attached as Schedule "A" hereto (the "Monitor's Certificate"), all of the Applicant's right, title and interest in and to the Purchased Assets shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice ■ dated ■, 2018 (the "Initial Order"); (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal or movable property registry system in any provinces or territories in Canada, including, without limitation, under the Civil Code of Quebec; and (iii) any Excluded Liabilities (as defined in the Sale Agreement) (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule "B" or the Assumed Liabilities (as defined in the Sale Agreement)). This Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. THIS COURT ORDERS that all counterparties to any Contract (as defined in the Sale Agreement) to which Discovery Mining Services Ltd. is a party or beneficiary, are prohibited

from exercising any right or remedy under such Contract, including, without limitation, any rights of termination, that arise as a result of, or otherwise relate to, the Transaction, the insolvency of the Applicant, the commencement of the Applicant's proceedings under the *Companies' Creditors Arrangement Act* (Canada) (the "CCAA") or any relief granted in such proceedings (including, without limitation, the extension of a limited stay of proceedings to the Non-Applicant Subsidiaries (as defined in the Initial Order).

5. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Monitor's Certificate all Claims and Encumbrances shall attach to the net proceeds from the 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.

6. THIS COURT ORDERS AND DIRECTS the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof.

7. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Applicant is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Applicant's records pertaining to the Applicant's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Applicant.

8. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Applicant and any bankruptcy order issued pursuant to any such applications; and

- (c) any assignment in bankruptcy made in respect of the Applicant;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicant and shall not be void or voidable by creditors of the Applicant, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) 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.

9. 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 Applicant and the Monitor 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 orders and to provide such assistance to the Applicant and the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

Schedule “A” - Form of Monitor’s Certificate

Court File No.: _____

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

IN THE MATTER OF THE *COMPANIES’ CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF DISCOVERY AIR INC.

APPLICANT

**MONITOR’S CERTIFICATE
(Discovery Mining Services)**

RECITALS

A. Pursuant to an Order of the Honourable ■ of the Ontario Superior Court of Justice (Commercial List) (the “Court”) dated ■, 2018, KSV Kofman Inc. was appointed as the monitor (the “Monitor”) of Discovery Air Inc. (the “Applicant”).

B. Pursuant to an Order of the Court dated ■, 2018, the Court approved the agreement of purchase and sale made as of ■, 2018 (the “Sale Agreement”) between the Applicant and 10671541 Canada Inc. (the “Purchaser”) and provided for the vesting in the Purchaser of the Applicant’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 the Monitor 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 Article 6 of the Sale Agreement have been satisfied or waived by the Applicant and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Monitor.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE MONITOR CERTIFIES the following:

- 1. The Purchaser has paid and the Applicant 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 Article 6 of the Sale Agreement have been satisfied or waived by the Applicant and the Purchaser; and
- 3. The Transaction has been completed to the satisfaction of the Monitor.
- 4. This Certificate was delivered by the Monitor at _____ [TIME] on _____ [DATE].

**KSV KOFMAN INC., in its capacity as
Monitor of Discovery Air Inc., and not in its
personal capacity**

Per: _____
Name:
Title:

Schedule “B” – Permitted Encumbrances

Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

1. Encumbrances imposed by Applicable Law that rank in priority as at the Closing Date to the Encumbrances created by or resulting from the Clairvest Security Documents, including, but not limited to: (i) any applicable Encumbrances in favour of mechanics, labourers, workmen, builders, contractors, suppliers of goods or services, or other similar Encumbrances incidental to construction, maintenance or repair operations; and (ii) any applicable purchase money security interests under applicable personal property security legislation.
2. Other than for any restrictions in respect of the Transaction, any transfer restrictions on the TA Holdings Shares or the TA Shares.

- 2 -

Schedule 1.1(aaa)

Sale Procedure Order

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) WEEKDAY, THE #
)
JUSTICE) DAY OF MONTH, 2018
)

IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF DISCOVERY AIR INC.

APPLICANT

SSP APPROVAL ORDER

THIS MOTION, made by Discovery Air Inc. (the "**Applicant**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an order, *inter alia*, approving a sale and solicitation process and certain related relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicant, the affidavit of ■ sworn ■, 2018, and the Exhibits thereto (the "**Affidavit**"), the First Report of KSV Kofman Inc., in its capacity as Monitor (the "**Monitor**") dated ■, 2018, filed, and on hearing the submissions of counsel for the Applicant, the Monitor and [**Clairvest Group Inc.**], no one else appearing although duly served as appears from the Affidavit of Service of ■ sworn ■, 2018, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meaning ascribed to them under the sale and solicitation process attached hereto as Schedule “■” (the “SSP”).

APPROVAL OF STALKING HORSE AGREEMENTS

3. **THIS COURT ORDERS** that the execution, delivery, entry into, compliance with, and performance by the Applicant of each of the Top Aces Stalking Horse Agreement, GSH Stalking Horse Agreement, ATL Stalking Horse Agreement and DMS Stalking Horse Agreement (each, as defined in the ■ Affidavit, and, collectively the “**Stalking Horse Agreements**”), be and is hereby ratified, authorized and approved, *provided, however*, that nothing contained in this Order approves the sale or the vesting of any property, assets or undertaking of the Applicant to either of the Stalking Horse Bidders pursuant to any of the Stalking Horse Agreements and that, if any or all of the Stalking Horse Agreements are the Accepted Bid under the SSP, the approval of the sale and vesting of the assets contemplated to be sold thereunder to the applicable Stalking Horse Bidder shall be considered by this Court on a subsequent motion or motions made to this Court following completion of the SSP, all in accordance with the terms of the SSP.
4. **THIS COURT ORDERS** that the Stalking Horse Agreements be and are hereby approved and accepted solely for the purposes of constituting stalking horse bids under the SSP.
5. **THIS COURT DECLARES** that the Stalking Horse Bidders are parties to these proceedings.
6. **THIS COURT ORDERS** that the Stalking Horse Agreements shall not be rendered invalid or unenforceable and the rights and remedies of the Stalking Horse Bidders thereunder shall not otherwise be limited or impaired in any way by: (a) the Applicant’s CCAA proceedings and the declarations of insolvency made in connection therewith; (b) any application(s) for bankruptcy order(s) issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”),

or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of security interests, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) the execution, delivery or performance of the Stalking Horse Agreements shall not create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party; and
- (b) the Stalking Horse Bidders shall not have any liability to any person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicant entering into the Stalking Horse Agreements.

APPROVAL OF SSP

7. **THIS COURT ORDERS** that the SSP (subject to such non-material amendments as may be agreed to by the Monitor and the Stalking Horse Bidders (including all schedules thereto)) be and is hereby approved and the Monitor, the Applicant and the Non-Applicant Subsidiaries (as defined in the Initial Order) are hereby authorized and directed to take such steps as they deem necessary or advisable (subject to the terms of the SSP) to carry out the SSP, subject to prior approval of this Court being obtained before completion of any transaction(s) under the SSP.

8. **THIS COURT ORDERS** that the Monitor, the Applicant, the Non-Applicant Subsidiaries and their respective affiliates, partners, directors, employees, advisors, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liability of any nature or kind to any person in connection with or as a result of performing their duties under the SSP, except to the extent of such losses, claims, damages or liabilities resulting from the gross negligence or wilful misconduct of the Monitor, the Applicant, or the Non-Applicant Subsidiaries, as applicable, as determined by the Court.

9. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Monitor, the Applicant and the Non-Applicant Subsidiaries (under the direction of the Monitor) are hereby authorized and permitted to disclose and transfer to each potential bidder (the “**Bidders**”) (including, without limitation, the Stalking Horse Bidders) and to their Representatives, if requested by such Bidders, personal information of identifiable individuals, including, without limitation, all human resources and payroll information in the Companies’ records pertaining to the Companies’ past and current employees, but only to the extent desirable or required to negotiate or attempt to complete a sale of the shares and assets contemplated by the Stalking Horse Agreements (a “**Sale**”). Each Bidder or Representative 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 for the purpose of effecting a Sale, and if it does not complete a Sale, shall return all such information to the Monitor, or in the alternative destroy all such information and provide confirmation of its destruction if requested by the Monitor. The Successful Bidder(s) shall maintain and protect the privacy of such information and, upon closing of the transaction contemplated in the Accepted Bid(s), shall be entitled to use the personal information provided to it that is related to the Property acquired pursuant to the SSP in a manner that is in all material respects identical to the prior use of such information by the relevant Company or Companies, and shall return all other personal information to the Monitor, or ensure that all other personal information is destroyed and provide confirmation of its destruction if requested by the Monitor.

GENERAL

10. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, or any other jurisdiction, to give effect to this Order and to assist the Applicant, the Monitor 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 orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

11. **THIS COURT ORDERS** that each of the Applicant and the Monitor 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 Monitor 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.

12. **THIS COURT ORDERS** that at any time during the SSP, the Monitor, the Applicant or any Stalking Horse Bidder may apply to the Court for directions with respect to the SSP.

SCHEDULE “A”

SALE SOLICITATION PROCESS

Introduction

On March [21], 2018, Discovery Air Inc. (the “**Debtor**”) commenced a proceeding (the “**CCAA Proceeding**”) under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) before the Ontario Superior Court of Justice (Commercial List) (the “**Court**”). Pursuant to the initial order issued by the Court in the CCAA Proceeding (the “**Initial Order**”), KSV Kofman Inc. was appointed as monitor (the “**Monitor**”) in the CCAA Proceeding.

The following Schedules are incorporated into this SSP: (a) Schedule “A” – References and Definitions; (b) Schedule “B” – Form of Acknowledgment of Sale Solicitation Process; (c) Schedule “C” – Addresses for Notice; and (d) Schedule “D” – Auction Procedures.

On ■, 2018, the Debtor brought a motion (the “**SSP Motion**”) before the Court, for, among other things, an order (the “**SSP Order**”) approving:

- (a) the Top Aces Stalking Horse Agreement pursuant to which the Top Aces Stalking Horse Bidder has agreed to: (i) purchase: (A) the Holdco Shares; (B) certain assets owned by the Debtor and used in the Top Aces business and/or shared between the Top Aces business and the businesses of GSH, ATL and DMS (together with the Holdco Shares, the (“**Top Aces Property**”)); and (C) intercompany debt owing by Top Aces to the Debtor, if any and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness, if any;
- (b) the following Stalking Horse Agreements between the Debtor and the Northern Stalking Horse Bidder:
 - (i) the GSH Stalking Horse Agreement pursuant to which the Northern Stalking Horse Bidder has agreed to: (i) purchase: (A) the GSH Shares; (B) certain assets owned by the Debtor and used in the GSH business as more particularly described in the GSH Stalking Horse Agreement (together with the GSH Shares, the “**GSH Property**”) (C) certain intercompany debt owing by GSH to the Debtor (the “**GSH Intercompany Debt**”); and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness of the Debtor;
 - (ii) the ATL Stalking Horse Agreement pursuant to which the Northern Stalking Horse Bidder has agreed to: (i) purchase: (A) the ATL Shares; (B) certain assets owned by the Debtor and used in the ATL business as more particularly described in the ATL Stalking Horse Agreement (together with the ATL Shares, the “**ATL Property**”) (the “**ATL Intercompany Debt**”); and (C) certain intercompany debt owing by ATL to the Debtor; and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness owing by the Debtor;
 - (iii) the DMS Stalking Horse Agreement pursuant to which the Northern Stalking Horse Bidder has agreed to: (i) purchase: (A) the DMS Shares;

(B) certain assets owned by the Debtor and used in the DMS business as more particularly described in the DMS Stalking Horse Agreement (together with the DMS Shares, the “**DMS Property**”); and (C) certain intercompany debt owing by DMS to the Debtor, if any; and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness owing by the Debtor; and

(c) this SSP.

On ■, 2018, the Court granted the SSP Order. The Monitor will conduct the SSP in accordance with the SSP Order.

Under the SSP, all qualified interested parties will be provided with an opportunity to participate in the SSP on the terms set out herein.

Commencement of the SSP and Identifying Bidders

1. The purpose of the SSP is to conduct certain processes to provide interested parties with opportunities to submit competing offers on an “as is, where is” basis to purchase: (a) the Top Aces Property; (b) the GSH Property, the GSH Intercompany Debt or all or substantially all of the assets of GSH; (c) the ATL Property, the ATL Intercompany Debt or all or substantially all of the assets of ATL; and (d) the DMS Property or all or substantially all of the assets of DMS (each, an “**Opportunity**”). The SSP shall apply to each of the Opportunities and the related processes and transactions, including without limitation, the Top Aces Transaction, GSH Transaction, ATL Transaction and DMS Transaction.
2. Any sales pursuant to this SSP will be without surviving representations or warranties of any kind, nature, or description by the Monitor, the Companies or any of their respective directors, officers, agents, advisors or other representatives unless otherwise agreed in a definitive agreement.
3. All of the Debtor’s right, title and interest in and to any of the Property or other assets to be sold pursuant to any Transactions will be sold free and clear of the pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein and thereon as set out in the Court order approving such sale unless specifically permitted to continue pursuant to the terms of the Accepted Bid.

Timeline

4. The following table sets out the key milestones and deadlines under the SSP:

Milestone	Deadline (Top Aces SSP)	Deadline (GSH SSP)	Deadline (ATL SSP)	Deadline (DMS SSP)
Commencement SSP	April 4, 2018	April 4, 2018	April 4, 2018	April 4, 2018
Bid Deadline	May 21, 2018	June 4, 2018	June 4, 2018	June 4, 2018

Auction	May 31, 2018	June 14, 2018	June 14, 2018	June 14, 2018
Closing Date Deadline	July 31, 2018	July 31, 2018	July 31, 2018	July 31, 2018

Solicitation of Interest: Notice of the SSP

5. The Debtor will issue a press release providing notice of the SSP and any such other relevant information as the Debtor and Monitor consider appropriate (a “**Notice**”) with Canada Newswire for designated dissemination in Canada and major financial centres in the United States.
6. The Monitor shall be entitled, but not obligated, to arrange for a Notice to be published in *The Globe and Mail* (National Edition), and any other newspaper or industry journals as the Monitor considers appropriate, if any, if it believes that such advertisement would be useful in the circumstances.
7. The Monitor has prepared:
 - (a) a list of potential financial bidders who may be interested in a Top Aces Transaction and a list of potential financial and strategic bidders who may be interested in any or all of the Northern Transactions (collectively, “**Potential Bidders**”);
 - (b) Teaser Letters describing the Opportunities, outlining the processes under the Top Aces SSP and Northern SSP, respectively, and inviting recipients of the Teaser Letters to express their interest pursuant to the applicable SSP or SSPs;
 - (c) a form of NDA; and
 - (d) two CIMs describing the Opportunities, which will be made available by the Monitor to Bidders (as defined below).
8. The Monitor has established Data Rooms in respect of the various SSPs which Data Rooms may continue to be updated from time to time during the SSP process.
9. The Monitor may consult with, or seek the assistance or cooperation of, the Companies with respect to the activities described in paragraphs 6, 6 and 8 above.
10. The Monitor will send the applicable Teaser Letter(s) and applicable form or forms of NDA to all applicable Potential Bidders as soon as reasonably practicable after the granting of the SSP Order and to any other party who requests a copy of a Teaser Letter and NDA or who is identified by the Debtor or the Monitor as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.

Delivery of CIMs

11. Any party who wishes to participate in one or more of the SSPs (an “**Interested Party**”) including any Potential Bidder, must provide to the Monitor:

- (a) a NDA executed by it, and a letter setting forth the identity of the Interested Party, the contact information for such Interested Party and full disclosure of the direct and indirect principals of the Interested Party;
 - (b) an acknowledgment of the applicable SSP or SSPs in which the Interested Party wishes to participate, in the form attached hereto as Schedule “B”; and
 - (c) such form of financial disclosure and credit quality support or enhancement that allows the Monitor to make a reasonable determination as to the Interested Party’s financial and other capabilities to consummate a Sale Proposal.
12. If it is determined by the Monitor, in its reasonable business judgment, that an Interested Party: (i) has delivered the documents contemplated in paragraph 11 above; and (ii) has the financial capability based on the availability of financing, experience and other considerations, to be able to consummate a sale pursuant to the SSP or SSPs in which the Interested Party is interested, then such Interested Party will be deemed to be a “**Bidder**”. For greater certainty, the Monitor may, in its reasonable business judgment, determine that an Interested Party may be deemed a Bidder in one SSP but not another.
13. The Monitor will provide each Bidder with a copy of the applicable CIM(s) and access to any corresponding Data Rooms. Bidders and Qualified Bidders (as defined in paragraph 24 below) must rely solely on their own independent review, investigation and/or inspection of all information and of the Property in connection with their participation in any of the SSPs and any transaction they enter into with the Debtor. The Companies, the Monitor and their respective directors, officers, agents and advisors make no representation or warranty as to the information (i) contained in any of the CIMs or the Data Rooms; (ii) provided through the due diligence process or otherwise made available pursuant to any of the SSPs; or (iii) otherwise made available to a Potential Bidder, Interested Party, Bidder or Qualified Bidder, except to the extent expressly contemplated in any definitive sale with the Successful Bidder (as defined below) duly executed and delivered by the Debtor and approved by the Court.
14. At any time during the SSP, the Monitor may, in its reasonable business judgment, eliminate a Bidder from any of the SSPs, in which case such party will no longer be a Bidder for the purposes of such SSP, provided however, this provision does not apply to either of the Stalking Horse Bidders. For greater certainty, the Monitor may, in its reasonable business judgment, eliminate a Bidder participating in multiple SSPs from one but not other SSPs.
15. None of the Companies nor any of its affiliates, shall meet or communicate with a Potential Bidder, Interested Party, Bidder or Qualified Bidder, including the Stalking Horse Bidders, in respect of the Stalking Horse Bids, regarding any Transaction or Opportunity without (a) informing the Monitor and (b) allowing the Monitor the right and opportunity to participate in such meeting, management presentation or communication. In the event a disagreement arises between the Debtor and the Monitor with respect to any matters related directly or indirectly to this SSP, the Monitor, unless otherwise ordered by the Court, shall have the sole authority to make a final decision with respect to such matters.

16. Representatives of the Debtor shall not communicate the identities of any Interested Parties or information in respect of any bids or transaction documents to representatives of either of the Stalking Horse Bidders, whether in that capacity or any other capacity unless and until the identity of the Qualified Bidders are exchanged with all other Qualified Bidders at Auction. For greater certainty, the foregoing provision is not intended to prevent or restrict the Companies from meeting or communicating with either of the Stalking Horse Bidders or any party related thereto regarding matters that do not relate to the SSP.
17. The Monitor, with the Debtor's assistance, shall afford each Bidder such access to applicable due diligence materials and information pertaining to the applicable SSP or SSPs as the Monitor deems appropriate in its reasonable business judgment. Due diligence access may include management presentations, access to the Data Room(s), on-site inspections, and other matters which a Bidder may reasonably request and which the Monitor deems appropriate. The Monitor will designate one or more representatives to coordinate all reasonable requests for additional information and due diligence access from each Bidder and the manner in which such requests must be communicated. Neither the Debtor nor the Monitor will be obligated to furnish any information relating to the Property to any person other than to Bidders. For the avoidance of doubt, selected due diligence materials may be withheld from certain Bidders if the Monitor determines such information to represent proprietary or sensitive competitive information.

Formal Offers and Determination of Qualified Bids

18. Bidders will be able to refer to template Purchase Agreements (which will be based on the Stalking Horse Agreements) placed in the Data Rooms.
19. Bidders that wish to make a formal offer within one or more of the SSPs (a "**Sale Proposal**") must submit offers to the Monitor so as to be received by the Monitor not later than 5:00 PM (Toronto Time) on **[June 4]**, 2018, (the "**Bid Deadline**"). All offers in respect of the applicable Property must be in the form of a duly authorized and executed Purchase Agreement with any changes disclosed in a comparison against the template Purchase Agreement, if applicable, (a "**Final Bid**") at each of the addresses specified in Schedule "C" hereto and may be submitted by email and/or hard copy delivery. Bidders who wish to submit a Sale Proposal for the assets of any or all of GSH, ATL and/or DMS may submit any such Sale Proposal in a separate form of asset purchase agreement reflecting terms consistent with an insolvency transaction, including without surviving representations and warranties. For greater certainty, Bidders must submit a separate Purchase Agreement or asset purchase agreement for each SSP in which the Bidder is making a Sale Proposal.
20. The Monitor, in consultation with the Debtor, may modify the Bid Deadline with respect to some or all of the SSPs. Any such modification shall be communicated to all Bidders for the applicable SSP in writing and posted on the Monitor's Website.
21. In order to be considered a Final Bid, a Sale Proposal shall include the following terms (collectively, the "**Final Bid Criteria**"):

- (a) Subject to subsection (b) below, that the bid is binding and irrevocable until the earlier of (i) 30 days after the Bid Deadline and (ii) approval by the Court of the Accepted Bid (the “**Bid Termination Date**”);
- (b) include an acknowledgement that if such Final Bid is selected by the Monitor as the Backup Bid at the Auction, such Final Bid shall remain binding, irrevocable and open for acceptance by the Debtor until the closing of the transaction with the Successful Bidder;
- (c) include a refundable cash deposit in the form of a wire transfer (to a bank account specified by the Monitor) or such other form of deposit as is acceptable to the Monitor, payable to the Monitor, in trust, in an amount equal to 15% (the “**Deposit**”) of the purchase price contemplated by the Bidder’s Final Bid;
- (d) provide contact information (including an email address) for the Bidder and disclose the identity of each entity (including its ultimate shareholders and/or sponsors) that will be bidding for the Property or otherwise participating in a Final Bid and the complete terms of any such participation;
- (e) include written evidence of a firm, irrevocable commitment for financing or other evidence of an ability to consummate the proposed transaction or transactions comprising the Final Bid, that will allow the Monitor to make a determination as to the Bidder’s financial and other capabilities to consummate the proposed transaction;
- (f) include acknowledgments and representations of the Bidder that: (i) it has had an opportunity to conduct any and all due diligence regarding the Property, the Debtor or otherwise prior to making its bid; (ii) it has relied solely upon its own independent review, investigation and/or inspection of the Property (including, without limitation, any documents in connection therewith) in making its bid; and (iii) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Property or the Debtor or the completeness of any information provided in connection therewith, except as expressly stated in the definitive transaction agreement(s) signed by the Debtor and approved by the Court;
- (g) include written evidence, in form and substance reasonably satisfactory to the Monitor, of authorization and approval from the Bidder’s board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the transaction contemplated by the bid;
- (h) provides value to the creditors and other stakeholders of the Debtor (having regard to the relative priority of creditor claims) that is equal to or greater than the value of the applicable Stalking Horse Agreement;
- (i) details of any liabilities to be assumed by the Bidder;
- (j) not be subject to further due diligence;

- (k) not be subject to financing;
 - (l) include a description of any regulatory or other third-party approvals required for the Bidder to consummate the sale transaction, and the time period within which the Bidder expects to receive such regulatory and/or third-party approvals, and those actions the Bidder will take to ensure receipt of such approvals as promptly as possible;
 - (m) include a description of any desired arrangements with respect to transition services that may be required from any of the Companies in connection with the sale transaction;
 - (n) not be subject to any conditions precedent except those that are customary in a transaction of this nature;
 - (o) not be conditional upon approval by the Court of any bid protection, such as a break-up fee, termination fee, expense reimbursement or similar type of payment;
 - (p) be received by the Bid Deadline; and
 - (q) contemplate closing the transaction set out therein on or before **[July 31]**, 2018 (the “**Closing Date Deadline**”).
22. Following the Bid Deadline, the Monitor will determine if each Sale Proposal delivered to the Monitor meets the Final Bid Criteria, provided that each Sale Proposal may be negotiated among the Monitor and the applicable Bidder and may be amended, modified or varied to improve such Sale Proposal as a result of such negotiations. The Monitor shall be under no obligation to negotiate identical terms with, or extend identical terms to, each Bidder.
23. On notice to parties in the CCAA Proceeding, the Monitor may seek Court approval of an amendment to the SSP or any one of them that it considers material. For greater certainty, the extension of any deadline by up to two weeks shall not be considered material.
24. If a Sale Proposal meets the Final Bid Criteria, such Final Bid will be deemed to be a “**Qualified Bid**” and the Bidder in respect of each such Qualified Bid shall be a “**Qualified Bidder**” in respect of the applicable SSP. The Monitor may waive strict compliance with any one or more of the Final Bid Criteria and deem such non-compliant Sale Proposal to be a Qualified Bid, provided that doing so shall not constitute a waiver by the Monitor of the Final Bid Criteria or an obligation on the part of the Monitor to designate any other Sale Proposal as a Qualified Bid.

Selection of Successful Bidders

25. On or before June 11, 2018, or at such later time as the Monitor may deem appropriate, the Monitor will advise each Bidder if its Sale Proposal is a Qualified Bid (the “**Notification Date**”) with respect to the applicable SSP.

26. If one or more Qualified Bids for a particular SSP is received by the Bid Deadline (as such deadline may be extended by the Monitor as set out herein), all Qualified Bidders for such SSP shall proceed to an Auction with the applicable Stalking Horse Bidder, to be held on June 14, 2018, which shall proceed according to the Auction Procedures to identify the Successful Bidder. For greater certainty, each Stalking Horse Bidder is, and is deemed to be, a Qualified Bidder in respect of the applicable SSP and each Stalking Horse Agreement is, and is deemed to be, a Qualified Bid for all purposes in connection with the applicable SSP. The Monitor, in consultation with the Debtor, may postpone or delay the commencement of an Auction with respect to either or both of the SSPs. Any such postponement or delay shall be posted at the Auction Location, communicated to all applicable Qualified Bidders for the applicable SSP in writing and posted on the Monitor's Website.
27. If no Qualified Bid for a SSP other than the Stalking Horse Purchase Agreement is received by the Bid Deadline (as the same may be extended by the Monitor as set out herein), an Auction for such SSP will not be held and that Stalking Horse Bidder will be declared to be the Successful Bidder with respect to the applicable Transaction. The "**Accepted Bid**" for a SSP will be either (i) the applicable Stalking Horse Bid if no Qualified Bid for such SSP is received by the Bid Deadline or so designated by the Monitor; or (ii) in the event of an Auction, the highest and best bid as determined by the Monitor at the Auction. The party that submitted the Accepted Bid for a SSP is referred to herein as the "**Successful Bidder**" with respect to such SSP.
28. If, upon the conclusion of an Auction, the Stalking Horse Bidder is not the Successful Bidder, the Successful Bidder's transaction shall be considered to be a superior transaction (a "**Superior Transaction**").
29. Within seven (7) Business Days of the selection of an Accepted Bid for a Transaction (or as soon as reasonably possible thereafter), the Debtor shall file an Approval Motion. All of the Qualified Bids for that Transaction and SSP other than the applicable Accepted Bid, the Backup Bid and the Stalking Horse Bid, shall be deemed rejected by the Monitor on and as of the date of approval of the applicable Accepted Bid by the Court.
30. All Deposits will be retained by the Monitor in trust. The Monitor shall deposit all Deposits with interest bearing accounts. Any Deposit held by the Monitor with respect to the Accepted Bid (plus accrued interest, if any) will be non-refundable (other than as may be provided for in the Purchase Agreement that constitutes the Accepted Bid) and will be applied to the purchase price to be paid by the Successful Bidder upon closing of the transaction under the Accepted Bid. The Deposits (plus applicable interest, if any) of Bidders not selected as Qualified Bidders will be returned to such Bidders within three (3) Business Days of the Notification Date. The Deposits (plus applicable interest, if any) of Qualified Bidders (other than the Backup Bidder) not selected as the Successful Bidder will be returned to such parties within three (3) Business Days of the Bid Termination Date.
31. If the Successful Bidder for any Transaction fails to close the transaction contemplated by the Accepted Bid by the earlier to occur of the applicable Closing Date Deadline and the closing date under the Accepted Bid (or such date that may otherwise be mutually agreed

upon among the Debtor, the Monitor and the Successful Bidder), the Monitor shall be authorized but not required to: (a) direct the Debtor to exercise such rights and remedies as are available to the Debtor under the Accepted Bid including, if applicable, deeming that the Successful Bidder has breached its obligations pursuant to the Accepted Bid and that the Successful Bidder has forfeited its Deposit to the Debtor; (b) designate the Backup Bidder as the Successful Bidder and direct the Debtor to close the transaction under the Backup Bid; or (c) take such other steps as it deems advisable. The Debtor reserves its right to seek all available damages, including specific performance, from any defaulting Successful Bidder (including any Backup Bidder designated as a Successful Bidder).

Confidentiality and Access to Information

32. Each Potential Bidder, Interested Party, Bidder or Qualified Bidder (including the Stalking Horse Bidder) shall not be permitted to receive any information that is not made generally available to all participants relating to the number or identity of Potential Bidders, Bidders, Qualified Bidders, Qualified Bids, the details of any bids submitted or the details or existence of any confidential discussions or correspondence among the Debtor, the Monitor and any Bidder in connection with any SSP in which such parties are participating.
33. In addition, the Monitor may consult with any other parties with a material interest in the CCAA Proceeding regarding the status and material information and developments relating to any or all of the SSPs to the extent considered appropriate by the Monitor and taking into account, among other things, whether any particular party is a Bidder, Qualified Bidder, or other participant or prospective participant in one or more of the SSPs; provided that such parties may be required to enter into confidentiality arrangements satisfactory to the Monitor. For greater certainty, Clairvest shall not be entitled to any information regarding the status of the SSP unless such information is provided to all Qualified Bidders in the process.

Supervision of the SSP

34. The Monitor will oversee, in all respects, the conduct of the SSP and, without limitation, the Monitor will participate in the SSP in the manner set out herein and in the SSP Order. All discussions or inquiries to the Debtors regarding the SSP shall be directed to the Monitor. Under no circumstances should representatives of the Companies be contacted directly or indirectly in respect of the SSP, including diligence requests, without the prior written consent of the Monitor. Any such unauthorized contact or communication could result in exclusion from any or all of the SSP processes. For greater certainty, the foregoing provision is not intended to prevent or restrict the Debtor or its affiliates and representatives from meeting or communicating with any Stalking Horse Bidder, in a capacity other than as a Stalking Horse Bidder, or any party related thereto regarding matters that do not relate to the SSP.
35. Other than as specifically set forth in the Stalking Horse Agreements or in a definitive agreement between the Companies and the Successful Bidder under a Superior Transaction, the SSP does not, and will not be interpreted to create any contractual or other

legal relationship among the Debtor, the Monitor, any Potential Bidder, Interested Party, Bidder, Qualified Bidder, the Successful Bidder, or any other party.

36. Subject to the terms of the Initial Order and any entitlement of the Stalking Horse Bidder to a Stalking Horse Expense Reimbursement, participants in the SSP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any Final Bid, participation in the SSP, Auction, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a transaction.

SCHEDULE “A”- REFERENCES AND DEFINITIONS

In this document, unless the context otherwise required, words importing the singular include the plural and vice versa. Capitalized terms used herein and not otherwise defined shall have the meaning given to them in the Initial Order. Except where otherwise expressly provided, all dollar reference amounts are to Canadian dollars.

The terms below shall have the following meaning given to them:

- (a) “**Accepted Bid**” has the meaning given to it in paragraph 27;
- (b) “**Air Tindi Transaction**” means the transaction contemplated by the ATL Stalking Horse Agreement or any other transaction under the ATL Stalking Horse Agreement or any improved bid pursuant to the process set out herein;
- (c) “**Approval Motion**” the Debtor’s motion or motions to be filed with the Court seeking one or more orders to approve the Accepted Bids;
- (d) “**ATL**” means Air Tindi Ltd.;
- (e) “**ATL Property**” has the meaning given to it in the Introduction;
- (f) “**ATL Shares**” means 1870 issued and outstanding Class A common shares in the capital of ATL, being 100% of the issued and outstanding shares of ATL;
- (g) “**ATL SSP**” the sale and solicitation process to solicit bids for the ATL Property as set out herein;
- (h) “**ATL Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Northern Stalking Horse Bidder dated as of ■, 2018 as the same may be amended, modified, improved or changed pursuant to the terms of this SSP for the purchase and sale of the ATL Property;
- (i) “**Auction**” means an auction conducted pursuant to this SSP pursuant to the Auction Procedures;
- (j) “**Auction Location**” has the meaning given to it in paragraph 1 of the Auction Procedures;
- (k) “**Auction Procedures**” mean the auction procedures set out in Schedule “D” hereto;
- (l) “**Backup Bid**” has the meaning given to it in paragraph 13 of the Auction Procedures;

- (m) “**Backup Bidder**” has the meaning given to it in paragraph 13 of the Auction Procedures;
- (n) “**Bid Deadline**” has the meaning given to it in paragraph 19;
- (o) “**Bid Termination Date**” has the meaning given to it in paragraph 21(a);
- (p) “**Bidder**” has the meaning given to it in paragraph 12;
- (q) “**Business Day**” means any day, other than Saturday or Sunday, on which the principal commercial banks in Toronto are open for commercial banking business during normal banking hours;
- (r) “**CCAA**” has the meaning given to it in the Introduction;
- (s) “**CCAA Proceeding**” has the meaning given to it in the Introduction;
- (t) “**Closing Date Deadline**” has the meaning given to it in paragraph 21(q);
- (u) “**CIM**” means a confidential information memorandum to be prepared by the Monitor in connection with a SSP;
- (v) “**Companies**” means the Debtor, Top Aces, Top Aces Holdco, GSH, ATL and DMS;
- (w) “**Court**” has the meaning given to it in the Introduction;
- (x) “**Credit Bid**” means a bid that provides for all or part of the consideration to be paid to be satisfied by way of a credit bid of secured indebtedness of the Debtor;
- (y) “**Data Rooms**” the electronic data rooms to be established by the Monitor in connection with the SSP;
- (z) “**Deposit**” has the meaning given to it in paragraph 21(c);
- (aa) “**Debtor**” has the meaning given to it in the Introduction;
- (bb) “**Discovery Mining Transaction**” means the transaction contemplated by the DMS Stalking Horse Agreement or any other transaction under the DMS Stalking Horse Agreement or any improved bid pursuant to the process set out herein;
- (cc) “**DMS**” means Discovery Mining Services Ltd.
- (dd) “**DMS Property**” has the meaning given to it in the Introduction;

- (ee) “**DMS Shares**” means 22,883,047 issued and outstanding Class A common shares in the capital of DMS, being 100% of the issued and outstanding shares of DMS;
- (ff) “**DMS SSP**” the sale and solicitation process to solicit bids for the DMS Property as set out herein;
- (gg) “**DMS Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Northern Stalking Horse Bidder dated as of ■, 2018 as the same may be amended, modified, improved or changed pursuant to the terms of this SSP for the purchase and sale of the DMS Property
- (hh) “**Final Bid**” has the meaning given to it in paragraph 19;
- (ii) “**Final Bid Criteria**” has the meaning given to it in paragraph 20;
- (jj) “**Great Slave Transaction**” means the transaction contemplated by the GSH Stalking Horse Agreement or any other transaction under the GSH Stalking Horse Agreement or any improved bid pursuant to the process set out herein;
- (kk) “**GSH**” means Great Slave Helicopters Ltd.;
- (ll) “**GSH Property**” has the meaning given to it in the Introduction;
- (mm) “**GSH Shares**” means (i) 157,891,795 issued and outstanding Class A common shares; (ii) 1,111 issued and outstanding Class D common shares; (iii) 40,000,000 issued and outstanding Class E common shares; (iv) 7,624 issued and outstanding Class F Preferred shares; (v) 11,072 issued and outstanding Class G Preferred shares; and (vi) 14,400 issued and outstanding Class H Preferred shares issued and outstanding common shares in the capital of GSH, being 100% of the issued and outstanding shares of GSH;
- (nn) “**GSH SSP**” the sale and solicitation process to solicit bids for the GSH Property as set out herein;
- (oo) “**GSH Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Northern Stalking Horse Bidder dated as of ■, 2018 as the same may be amended, modified, improved or changed pursuant to the terms of this SSP for the purchase and sale of the GSH Property;
- (pp) “**Holdco Shares**” means 253.83602 issued and outstanding Class A common shares in the capital of Top Aces Holdco being 100% of the shares of Top Aces Holdco owned by the Debtor;
- (qq) “**Initial Order**” has the meaning given to it in the Introduction;
- (rr) “**Interested Party**” has the meaning given to it in paragraph 11;

- (ss) “**Potential Bidders**” has the meaning given to it in paragraph 6;
- (tt) “**Leading Bid**” has the meaning given to it in paragraph 11 of the Auction Procedures;
- (uu) “**Monitor**” has the meaning given to it in the Introduction;
- (vv) “**Monitor’s Website**” means the Monitor’s website at www.ksvadvisory.com/insolvency-cases/discovery-air;
- (ww) “**NDA**” one or more forms of non-disclosure agreement to be used in connection with the solicitation of bids in this SSP;
- (xx) “**Northern SSP**” means collectively the GSH SSP, ATL SSP and DMS SSP;
- (yy) “**Northern Transactions**” means the Great Slave Transaction, Air Tindi Transaction and Discovery Mining Transaction;
- (zz) “**Northern Stalking Horse Bidder**” means 10671541 Canada Inc.;
- (aaa) “**Northern Stalking Horse Agreements**” means the GSH Stalking Horse Agreement, ATL Stalking Horse Agreement and DMS Stalking Horse Agreement;
- (bbb) “**Notice**” has the meaning given to it in paragraph 6;
- (ccc) “**Notification Date**” has the meaning given to it in paragraph 25;
- (ddd) “**Opportunity**” has the meaning given to it in paragraph 1;
- (eee) “**Overbid**” has the meaning given to it in paragraph 9 of the Auction Procedures;
- (fff) “**Property**” means the Top Aces Property, GSH Property, ATL Property and/or the DMS Property as the context may require;
- (ggg) “**Purchase Agreements**” means the template forms of purchase agreements to be placed in the Data Rooms upon which Bidders are to make Sale Proposals;
- (hhh) “**Qualified Bid**” has the meaning given to it in paragraph 24;
- (iii) “**Qualified Bidder**” has the meaning given to it in paragraph 24;
- (jjj) “**Sale Proposal**” has the meaning given to it in paragraph 19;
- (kkk) “**SSP**” means this sale and solicitation process document and the processes set out herein including without limitation the Top Aces SSP, GSH SSP, ATL SSP or DMS SSP or any one of them as the context may require;

- (lll) “**SSP Motion**” has the meaning given to it in the Introduction;
- (mmm) “**SSP Order**” has the meaning given to it in the Introduction;
- (nnn) “**Stalking Horse Agreements**” means the Top Aces Stalking Horse Agreement and the Northern Stalking Horse Agreement;
- (ooo) “**Stalking Horse Bidder**” means the Top Aces Stalking Horse Bidder and the Northern Stalking Horse Bidder;
- (ppp) “**Starting Bid**” has the meaning given to it in paragraph 7 of the Auction Procedures;
- (qqq) “**Subsequent Bid**” has the meaning given to it in paragraph 4 of the Auction Procedures;
- (rrr) “**Successful Bidder**” has the meaning given to it in paragraph 27;
- (sss) “**Superior Transaction**” has the meaning given to it in paragraph 28;
- (ttt) “**Teaser Letter**” means the process summary letters to be prepared by the Monitor in connection with the SSP;
- (uuu) “**Top Aces**” means Top Aces Inc. (formerly known as Discovery Air Defence Services Inc.);
- (vvv) “**Top Aces Holdco**” means Top Aces Holdings Inc.;
- (www) “**Top Aces Property**” has the meaning given to it in the Introduction;
- (xxx) “**Top Aces SSP**” the sale and solicitation process to solicit bids for the Top Aces Property as set out herein;
- (yyy) “**Top Aces Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Top Aces Stalking Horse Bidder dated as of ■, 2018 as the same may be amended, modified, improved or changed pursuant to the terms of this SSP for the purchase and sale of the Top Aces Property;
- (zzz) “**Top Aces Stalking Horse Bidder**” means, collectively, CEP IV Co-Investment Limited Partnership, Clairvest Equity Partners IV Limited Partnership, Clairvest Equity Partnership IV-A Limited Partnership, DA Holdings Limited Partnership and G. John Krediet;
- (aaaa) “**Top Aces Transaction**” means the transaction contemplated by the Top Aces Stalking Horse Agreement or any other transaction under the Top Aces Stalking Horse Agreement or any improved bid pursuant to the process set out herein;

(bbb) "**Transactions**" means the Top Aces Transaction, Great Slave Transaction, Air Tindi Transaction and/or Discovery Mining Transaction.

SCHEDULE “B”

Acknowledgement of the Sale and Solicitation Process

TO: Discovery Air Inc.

AND TO: KSV Kofman Inc. in its capacity as monitor in the CCAA proceedings of Discovery Air Inc.

RE: Sale and Solicitation Process in respect of the following Transaction(s) [*check all that apply*]:

- Top Aces Transaction
 - Great Slave Transaction
 - Air Tindi Transaction
 - Discovery Mining Transaction
-

The undersigned hereby acknowledges receipt of the sale and solicitation process approved by the Order of the Honourable Justice ■ of the Ontario Superior Court of Justice (Commercial List) dated ■, 2018 (the “SSP”) and that compliance with the terms and provisions of the SSP is required in order to participate in the SSP and for any Final Bid (as defined in the SSP) to be considered by the Monitor.

This ___ day of _____, 2018.

[Insert Interested Party name]

Per:

Email Address:

SCHEDULE “C” – ADDRESSES FOR NOTICES**KSV Kofman Inc.****Court-Appointed Monitor in Discovery Air Inc.’s CCAA proceedings**

150 King Street West

Suite 2308, Box 42

Toronto ON M5H 1J9

Attention: Bobby Kofman & David Sieradzki

Email: bkofman@ksvadvisory.com/ dsieradzki@ksvadvisory.com**-with copies to-****Goldman Sloan Nash & Haber LLP****Lawyers for the Debtor**

1600-480 University Avenue

Toronto, ON M5G 1V2

Attention: Michael Rotsztain and Jennifer Stam

Email: rotsztain@gsnh.com/ stam@gsnh.com**Goodmans LLP****Lawyers for the Monitor**

Bay Adelaide Centre

333 Bay Street, Suite 3400

Toronto ON M5H 2S7

Attention: Joe Latham

Email: jlatham@goodmans.ca

SCHEDULE “D” - AUCTION PROCEDURES

1. The Auctions for each SSP, if any, shall be conducted by the Monitor, commencing on June 14, 2018, at 10:00 a.m. (Toronto time) at the offices of Goodmans LLP, 333 Bay Street, Suite 3400, Toronto, ON, M5H 2S7 or such other location as the Monitor may choose in advance of the commencement of an Auction (the “**Auction Location**”). No later than 24 hours prior to the scheduled date of the Auction, the Monitor shall communicate any change in the Auction Location from the offices of Goodmans LLP to another location to all applicable Qualified Bidders in writing and post notice of such change in location at the offices of Goodmans LLP and on the Monitor’s Website.
2. To the extent that the Monitor is to conduct multiple Auctions, it may choose to conduct such Auctions concurrently or consecutively in its discretion. Any delay or postponement of the commencement of an Auction shall be communicated in accordance with paragraph 26 of the SSP.
3. Unless otherwise ordered by the Court or consented to in writing by the Monitor, only the authorized representatives and professional advisors of the Monitor, the Companies, the applicable Stalking Horse Bidder, and each other Qualified Bidder invited to an Auction shall be eligible to attend an Auction and make any Subsequent Bid (as defined below) at an Auction. Administrative personnel, including, without limitation, a court reporter or similar official, will also attend an Auction at the invitation of the Monitor.
4. At an Auction, all applicable Qualified Bidders (including a Stalking Horse Bidder) shall be permitted to increase their Qualified Bids in accordance with the procedures set forth herein (each, a “**Subsequent Bid**”). All Subsequent Bids presented during an Auction shall be made and received in one room on an open basis. All participating Qualified Bidders shall be entitled to be present for all bidding with the understanding that the true identity of each participating Qualified Bidder shall be fully disclosed to all other Qualified Bidders and that all material terms of each Subsequent Bid presented during an Auction will be fully disclosed to the participating Qualified Bidders throughout an entire Auction.
5. All Qualified Bidders must have at least one individual representative with authority to bind such Qualified Bidder present in person at the offices of Goodmans LLP during the Auction(s).
6. All proceedings at an Auction shall be transcribed.
7. At least two (2) days prior to an Auction, the Monitor will advise all Qualified Bidders for the applicable SSP which of the Qualified Bids (including a Stalking Horse Agreement) the Monitor has determined in its reasonable business judgment,

after consultation with its advisors and the Companies, constitutes the then highest or otherwise best Qualified Bid (the “**Starting Bid**”).

8. The Starting Bid will be deemed to be the first bid at the Auction and bidding at the Auction will continue, in one or more rounds of bidding, so long as during each round at least one Subsequent Bid is submitted by a Qualified Bidder that, in the reasonable business judgement of the Monitor improves upon the then Leading Bid and meets the Overbid requirement.
9. The first round of bidding at an Auction in respect of the following processes and transactions shall commence in the following increments:
 - (a) bidding in respect of the Top Aces Transaction shall commence in increments of \$■;
 - (b) bidding in respect of the GSH Transaction shall commence in increments of \$■
 - (c) bidding in respect of the ATL Transaction shall commence in increments of \$■; and
 - (d) bidding in respect of the DMS Transaction shall commence in increments of \$■,

(each, an “**Overbid**”). The Monitor shall be entitled to change the amount of Overbid in subsequent rounds of bidding at the Auction in its discretion.
10. Credit Bids will be permitted at an Auction, provided that the validity of such secured indebtedness has been confirmed by the Monitor prior to commencement of such Auction. Bidding shall continue until such time as the highest or best bid is determined by the Monitor, in its reasonable business judgment, after consultation with its advisors. The Monitor, in its sole discretion, shall have the right to modify the bidding increments at the commencement of any round of the Auction. For the purpose of evaluating the value of the consideration provided by each Subsequent Bid (including any Subsequent Bid by a Stalking Horse Bidder) presented at the Auction, the value will take into account the amount and priority of any Credit Bid and any liabilities to be assumed by a Qualified Bidder.
11. After the first round of bidding and between each subsequent round of bidding, the Monitor shall announce the Subsequent Bid that the Monitor has determined in its reasonable business judgment, after consultation with its advisors, to be the then highest or best bid (the “**Leading Bid**”). A round of bidding will conclude after each participating Qualified Bidder has had an opportunity to submit a Subsequent Bid with full knowledge of the Leading Bid.

12. If no Qualified Bidder submits a Subsequent Bid (as determined by the Monitor) after a period of 30 minutes following the Monitor's acceptance of a Subsequent Bid as the Leading Bid, and the Monitor chooses not to adjourn an Auction, the Leading Bid shall be the Accepted Bid, whereupon such Auction will be concluded. The Monitor shall have the right, but not the obligation, to extend the time period to submit an offer.
13. If an Auction is conducted, the Monitor shall determine, in its reasonable business judgment after consultation with its advisors, the next highest or otherwise best Qualified Bid after the Accepted Bid (the "**Backup Bid**"). The Qualified Bidder which has submitted the Backup Bid will be designated as the "**Backup Bidder**". The Backup Bidder shall be required to keep its last submitted Subsequent Bid, or if it has not made a Subsequent Bid, its Qualified Bid (the "**Backup Bid**") open and irrevocable until the closing of the transaction with the Successful Bidder.
14. At or during an Auction, the Monitor, after consultation with its advisors, may employ and announce additional procedural rules that are fair and reasonable under the circumstances (e.g., the amount of time allotted to make Subsequent Bids) for conducting such Auction; provided, however, that such rules are (a) not inconsistent with the SSP or these Auction Procedures, the CCAA, any order of the Court entered in connection with the SSP or Auction Procedures and (b) disclosed to each Qualified Bidder at or during the Auction.

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS
AMENDED

Court File No.:

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF DISCOVERY AIR
INC. (the "APPLICANT")

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

Proceeding commenced at Toronto

SSP APPROVAL ORDER

GOLDMAN SLOAN NASH & HABER LLP
480 University Avenue, Suite 1600
Toronto, Ontario M5G 1V2
Fax: 416-597-6477

Mario Forte (LSUC#: 27293F)
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Jennifer Stam (LSUC#: #46735J)
Tel: 416.597.5017
Email: stam@gsnh.com

Lawyers for the Applicant

Schedule 2.1(c)
Assigned Contracts

TAB D

This is Exhibit "D" referred to in the
affidavit of Paul Bernards
sworn before me at Toronto
this 28 day of March 2018
A Commissioner for taking Affidavits for Ontario

**ASSET PURCHASE AGREEMENT
(TOP ACES)**

DISCOVERY AIR INC.

as Seller

- and -

CEP IV CO-INVESTMENT LIMITED PARTNERSHIP

CLAIRVEST EQUITY PARTNERS IV LIMITED PARTNERSHIP

CLAIRVEST EQUITY PARTNERSHIP IV-A LIMITED PARTNERSHIP

DA HOLDINGS LIMITED PARTNERSHIP

G. JOHN KREDIET

as Buyers

March 21, 2018

TABLE OF CONTENTS

ARTICLE 1 INTERPRETATION	2
1.1 Definitions.....	2
1.2 Schedules	8
1.3 Statutes.....	9
1.4 Headings and Table of Contents.....	9
1.5 Gender and Number.....	9
1.6 Currency.....	9
1.7 Invalidity of Provisions.....	9
1.8 Entire Agreement.....	9
1.9 Waiver, Amendment.....	9
1.10 Governing Law; Jurisdiction and Venue	10
1.11 Buyers' Representative.....	10
ARTICLE 2 PURCHASE AND SALE.....	10
2.1 Agreement to Purchase and Sell Purchased Assets	10
2.2 Assumption of Liabilities.....	11
2.3 Assignment of Purchased Assets	12
2.4 Excluded Obligations.....	13
2.5 "As is, Where Is"	13
ARTICLE 3 PURCHASE PRICE AND RELATED MATTERS	13
3.1 Purchase Price.....	13
3.2 Purchase Price Allocation Among Purchased Assets	13
3.3 Purchase Price Allocation Between Purchase Price Components	14
ARTICLE 4 REPRESENTATIONS AND WARRANTIES BY THE SELLER	14
4.1 Existence	14
4.2 Recitals.....	14
4.3 Due Authorization and Enforceability of Obligations.....	14
4.4 Right to Sell, and Title to, Purchased Assets	14
4.5 TA Holdings Shares and TA Shares	15
4.6 Absence of Conflicts.....	15
4.7 Approvals and Consents	15
4.8 Residence of the Seller.....	16
4.9 HST Registration	16
4.10 Brokers.....	16
ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF THE BUYERS.....	16
5.1 Existence	16
5.2 Recitals.....	16
5.3 Due Authorization and Enforceability of Obligations.....	16
5.4 Absence of Conflicts.....	17
5.5 Approvals and Consents	17
5.6 Residence of the Buyers.....	17

5.7	HST Registration	17
5.8	<i>Investment Canada Act</i>	17
5.9	No Additional Due Diligence	17
5.10	Brokers.....	18
ARTICLE 6 CONDITIONS		18
6.1	Conditions for the Benefit of the Buyers and the Seller	18
6.2	Conditions for the Benefit of the Buyers	19
6.3	Conditions for the Benefit of the Seller	20
ARTICLE 7 ADDITIONAL AGREEMENTS OF THE PARTIES.....		21
7.1	Access to Information.....	21
7.2	Covenant Regarding Confidential Information	21
7.3	Further Assurances.....	21
7.4	Tax Matters	21
7.5	Fees and Expenses	22
7.6	Transition Services.....	22
ARTICLE 8 COURT ORDERS.....		23
8.1	Court Orders.....	23
ARTICLE 9 TERMINATION		24
9.1	Termination.....	24
9.2	Effect of Termination.....	25
ARTICLE 10 CLOSING		25
10.1	Location and Time of Closing	25
10.2	Closing Deliveries.....	25
10.3	Monitor's Certificate.....	26
ARTICLE 11 GENERAL MATTERS		26
11.1	Confidentiality	26
11.2	Public Notices	27
11.3	Survival.....	28
11.4	Non-Recourse	28
11.5	Assignment; Binding Effect.....	28
11.6	Notices	28
11.7	Counterparts; Facsimile Signatures	30

ASSET PURCHASE AGREEMENT

THIS AGREEMENT is made as of March 21, 2018

B E T W E E N:

DISCOVERY AIR INC., a corporation incorporated under the laws of the Province of Ontario, and continued under the laws of Canada

(the “**Seller**”)

- and -

CEP IV CO-INVESTMENT LIMITED PARTNERSHIP, a limited partnership existing under the laws of the Province of Manitoba

CLAIRVEST EQUITY PARTNERS IV LIMITED PARTNERSHIP, a limited partnership existing under the laws of the Province of Ontario

CLAIRVEST EQUITY PARTNERSHIP IV-A LIMITED PARTNERSHIP, a limited partnership existing under the laws of the Province of Ontario

DA HOLDINGS LIMITED PARTNERSHIP, a limited partnership formed under the laws of the Province of Ontario

G. JOHN KREDIET, an individual resident of the Netherlands

(collectively, the “**Buyers**”)

RECITALS:

- A. The Seller, through its subsidiaries, provides specialty aviation services to governments, airlines, and natural resource and other business customers, operating across Canada and in select locations internationally, including the United States, Bolivia, Australia, and Chile (together with any other business in which the Seller is engaged on the date hereof, the “**Business**”).
- B. The Seller legally and beneficially owns, as at the date hereof, 253.83602 issued and outstanding Class A common shares in the capital of Top Aces Holdings Inc. (“**TA Holdings**”), which legally and beneficially owns, as at the date hereof, one hundred per cent of the issued and outstanding Class A common shares and Class B common shares in the capital of Top Aces Inc. (“**TA**”, and all such shares of TA, collectively, the “**TA Shares**”). The Seller legally and beneficially owns certain other property, assets and undertaking that are used in connection with the business conducted by TA and TA Holdings (the “**TA Business**”).
- C. On March 21, 2018, the Seller commenced proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”), and an initial

- 2 -

order (the “**Initial CCAA Order**”) was granted by the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), pursuant to which, *inter alia*, KSV Kofman Inc. was appointed as the monitor of the Seller (in such capacity, the “**Monitor**”).

- D. As at January 31, 2018, the Seller is indebted to the Buyers pursuant to the Clairvest Convertible Debentures (as defined herein), in the aggregate principal amount of \$72,700,000 (such amount, together with all outstanding interest, fees and costs incurred relating thereto, at any given time, the “**Clairvest Secured Indebtedness Amount**”), which indebtedness is secured by the Clairvest Security Documents (as defined herein).
- E. Pursuant to the DIP Credit Agreement (as defined herein), CEP IV Co-Investment Limited Partnership, an affiliate of Clairvest, has agreed to provide a secured super-priority debtor-in-possession non-revolving credit facility of up to \$12,600,000 (the indebtedness thereunder, including outstanding interest, fees and costs incurred relating thereto, at any given time, the “**Clairvest DIP Indebtedness Amount**”).
- F. The Seller wishes to sell, and the Buyers wish to purchase as a “stalking horse bidder” pursuant to the Sale Procedures and the Sales Procedures Order (each, as defined herein), the Purchased Assets (as defined herein), subject to the terms and conditions of this Agreement.
- G. The Seller has determined that it is in the best interests of its stakeholders to enter into this Agreement and, subject to the terms and conditions herein, to consummate the transactions contemplated herein on the terms set forth herein.

NOW THEREFORE in consideration of the mutual covenants and agreements contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which are acknowledged), the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement,

- (a) “**affiliate**” of any Person means, at the time such determination is being made, any other Person controlling, controlled by or under common control with such first Person, in each case, whether directly or indirectly through one or more intermediaries, and “**control**” and any derivation thereof means the control by one Person of another Person in accordance with the following: a Person (“**A**”) controls another Person (“**B**”) where A has the power to determine the management and policies of B by contract or status (for example the status of A being the general partner of B) or by virtue of beneficial ownership of a majority of the voting interests in B; and for certainty and without limitation, if A owns shares to which are attached more than 50% of the votes permitted to be cast in the election of directors (or other Persons performing a similar role) of B, then A controls B for this purpose;

- 3 -

- (b) “**Agreement**” means this Asset Purchase Agreement and all attached Schedules, in each case as the same may be supplemented, amended, restated or replaced from time to time, and the expressions “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions refer to this Agreement and all attached Schedules and unless otherwise indicated, references to Articles, Sections and Schedules are to Articles, Sections and Schedules in this Agreement;
- (c) “**Applicable Law**” means any domestic or foreign statute, law (including the common law), ordinance, rule, regulation, restriction, by-law (zoning or otherwise), order, or any consent, exemption, approval or licence of any Governmental Authority, that applies in whole or in part to the Transaction, the Seller, the Buyers, the Business or any of the Purchased Assets;
- (d) “**Approval and Vesting Order**” means the form of Court order attached as Schedule “1.1(d)” hereto, with any amendments thereto to be acceptable to each of the Seller and the Buyers, each acting reasonably;
- (e) “**Assigned Contracts**” has the meaning given to such term in Section 2.1(b); and
- (f) “**Assumed Liabilities**” has the meaning given to such term in Section 2.2;
- (g) “**Business**” has the meaning given to such term in Recital A;
- (h) “**Business Day**” means any day, other than a Saturday or Sunday, on which the principal commercial banks in Toronto are open for commercial banking business during normal banking hours;
- (i) “**Buyers**” has the meaning given to such term in the preamble to this Agreement;
- (j) “**CCAA**” has the meaning given to such term in Recital C;
- (k) “**CCAA Proceedings**” has the meaning given to such term in Recital C;
- (l) “**Clairvest Convertible Debentures**” means the convertible debentures issued by the Seller on September 23, 2011, and administered by Clairvest GP;
- (m) “**Clairvest Credit Bid Amount**” means the portion of the Clairvest Secured Indebtedness Amount and the Clairvest DIP Indebtedness Amount that, in the aggregate total \$20,825,000, and that is to be credit bid by the Buyer in partial satisfaction of the Purchase Price;
- (n) “**Clairvest DIP Indebtedness Amount**” has the meaning given to such term in Recital E;
- (o) “**Clairvest GP**” means Clairvest GP Manageco Inc.;
- (p) “**Clairvest Secured Indebtedness Amount**” has the meaning given to such term in Recital D;

- 4 -

- (q) “**Clairvest Security Documents**” means all documents, contracts and agreements pursuant to which Encumbrances have been created or granted to or for the benefit of the debentureholders under the Clairvest Convertible Debentures and/or Clairvest GP to secure payment and performance of the Seller’s obligations to the debentureholders under the Clairvest Convertible Debentures and/or Clairvest GP (including payment of the Clairvest Secured Indebtedness Amount), including debentures, general security agreements, pledges of equity, and aircraft-specific security, charging all or certain present and after-acquired assets, personal property and undertakings of the Seller;
- (r) “**Closing**” means the completion of the Transaction at the Closing Time;
- (s) “**Closing Date**” means July 31, 2018, or such later date as the Parties may agree in writing, acting reasonably;
- (t) “**Closing Documents**” means all contracts, agreements and instruments required by this Agreement to be delivered at or before the Closing;
- (u) “**Closing Time**” means 10:00 a.m. (Toronto time) on the Closing Date or such other time on the Closing Date as the Parties agree in writing that the Closing Time shall take place;
- (v) “**Confidential Information**” means non-public, confidential, personal or proprietary information which is furnished to a Party by the other Party, including, without limitation, information about identifiable individuals, any information relating to a Party and its Affiliates or any customer or supplier of a Party; provided that “Confidential Information” does not include information that:
- (i) is or becomes generally available to the public other than as a result of disclosure in breach of this Agreement;
 - (ii) is received by a Party from a third party that obtained it lawfully and was under no duty of confidentiality;
 - (iii) was lawfully in a Party’s possession prior to disclosure thereof by the other Party; or
 - (iv) was independently developed by a Party without use of, or reference to, the other Party’s Confidential Information;
- (w) “**Contracts**” means contracts, licences, permits, leases, agreements, commitments, entitlements or engagements;
- (x) “**Court**” has the meaning given to such term in Recital C;
- (y) “**Court Approval**” means the issuance of the Approval and Vesting Order by the Court;

- 5 -

- (z) “**Court Orders**” has the meaning given to such term in Section 8.1(c);
- (aa) “**DIP Credit Agreement**” means the debtor-in-possession loan term sheet between CEP IV Co-Investment Limited Partnership and the Seller;
- (bb) “**Encumbrance**” means any security interest, lien, prior claim, charge, hypothec, hypothecation, reservation of ownership, pledge, encumbrance, mortgage or adverse claim of any nature or kind;
- (cc) “**Excluded Liabilities**” has the meaning given to such term in Section 2.2;
- (dd) “**Final**” with respect to any order of any court of competent jurisdiction, means that leave to appeal or reconsideration shall not have been sought in respect of such order and that such order shall not have been stayed, appealed, varied (except with the consent of the Buyers and the Seller) or vacated, and all time periods within which leave to appeal and reconsideration could at law be sought shall have expired and all time periods within which such order could at law be appealed shall have expired;
- (ee) “**Governmental Authority**” means any domestic or foreign government, regulatory authority, governmental department, agency, ministry, commission, bureau, court (including the Court), tribunal, judicial body, arbitral body, commission, stock exchange, board or other law, rule or regulation-making entity:
 - (i) having jurisdiction over the Seller, the Buyers, the Transaction or the Purchased Assets on behalf of any country, province, state, municipality or other geographical or political subdivision thereof; or
 - (ii) exercising or entitled to exercise any administrative, judicial, legislative, regulatory or Taxing Authority or power;
- (ff) “**Governmental Authorizations**” means the permits, licences, approvals and authorizations, orders, certificates, consents, directives, notices, licences, permits, variances, registrations or other rights issued to or held or required by the Seller relating to the Business or any of the Purchased Assets by or from any Governmental Authority;
- (gg) “**HST**” means the sales tax payable under the HST Legislation;
- (hh) “**HST Legislation**” means Part IX of the *Excise Tax Act* (Canada);
- (ii) “**IFRS**” means International Financial Reporting Standards;
- (jj) “**including**” and “**includes**” shall be interpreted on an inclusive basis and shall be deemed to be followed by the words “without limitation”;
- (kk) “**Initial CCAA Order**” has the meaning given to such term in Recital C;

- 6 -

- (ll) **“Material Adverse Change”** or **“Material Adverse Effect”** means any change, development, effect, event, circumstance, fact or occurrence that, individually or in the aggregate with such other changes, developments, effects, events, circumstances, facts or occurrences, is, or would reasonably be expected to be, material and adverse to the business, properties, assets, liabilities (contingent or otherwise), condition (financial or otherwise), operations or results of operations of the Seller, TA Holdings, TA, the Business, the TA Business and/or the Purchased Assets, or that prevents or materially delays or would reasonably be expected to prevent or materially delay the Seller from Closing; other than any change, development, effect, event, circumstance, fact or occurrence arising out of, attributable to or resulting from: (A) any action expressly required or permitted by this Agreement or relating to the Seller’s current financial condition, including the CCAA Proceedings; (B) general political, economic or financial conditions in Canada or elsewhere in the world; (C) any change generally affecting the industries in which the Business and/or the TA Business is conducted (including changes in prices, costs of materials, labor, or shipping, general market prices, or regulatory changes in any such industry); (D) acts of terrorism or war (whether or not declared); (E) any changes to existing Applicable Law (including the interpretation thereof); (F) any changes to IFRS or the adoption, implementation or proposal of any new accounting principles; (G) hurricanes, earthquakes, storms, floods or other natural disasters, epidemics, pandemics, outbreak or escalation of hostilities, the declaration of war, acts or terrorism, or acts of God; (H) any action consented to by the Buyers; (I) any failure by the Seller to meet any projections or estimates (including internal projections or estimates) of revenues, earnings, working capital or performance for any period or (J) material dispositions or change in financial circumstance from a sale under the Sale Procedures;
- (mm) **“Monitor”** has the meaning given to such term in Recital C;
- (nn) **“Monitor’s Certificate”** means the certificate filed with the Court by the Monitor certifying that the Monitor has received written confirmation, in form and substance satisfactory to the Monitor, from the Seller and the Buyers that: (i) all conditions to Closing set forth in Article 6 have been satisfied or waived; and (ii) the Buyers have paid, and the Seller has received, the Purchase Price;
- (oo) **“Parties”** means the Seller and the Buyers collectively, and **“Party”** means either the Seller or each of the Buyers, as applicable;
- (pp) **“Permitted Encumbrances”** means, with respect to the Purchased Assets:
- (i) Encumbrances imposed by Applicable Law that rank in priority as at the Closing Date to the Encumbrances created by or resulting from the Clairvest Security Documents, including, but not limited to: (i) any applicable Encumbrances in favour of mechanics, labourers, workmen, builders, contractors, suppliers of goods or services, or other similar Encumbrances incidental to construction, maintenance or repair

- 7 -

operations; and (ii) any applicable purchase money security interests under applicable personal property security legislation; and

- (ii) other than for any restrictions in respect of the Transaction, any transfer restrictions on the TA Holdings Shares or the TA Shares;
- (qq) “**Person**” means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority or other entity however designated or constituted;
- (rr) “**Purchase Price**” has the meaning given to such term in Section 3.1;
- (ss) “**Purchased Assets**” has the meaning given to such term in Section 2.1;
- (tt) “**Residual Assets**” means all of the assets, property and undertaking of the Seller, including, without limitation, the Assigned Contracts, but excluding: (i) the assets, property and undertaking owned by the Seller and used solely in connection with or for the benefit of Great Slave Helicopters Ltd. and its business; (ii) the assets, property and undertaking owned by the Seller and used solely in connection with or for the benefit of Air Tindi Ltd. and its business; (iii) the assets, property and undertaking owned by the Seller and used solely in connection with or for the benefit of Discovery Mining Services Ltd. and its business; (iv) the assets, property and undertaking owned by the Seller and used solely in connection with or for the benefit of the TA and the TA business; (v) the issued and outstanding common shares and any other equity interests owned or held by the Seller in the capital of any subsidiary (including, without limitation, its inactive subsidiary, Discovery Air Technical Services Inc.); and (vi) any other assets, property, and undertaking of the Seller identified by the Buyers in writing on or before the Closing Date as being an excluded asset (provided, for greater certainty, that there shall be no reduction in the Purchase Price resulting therefrom);
- (uu) “**Restricted Rights**” has the meaning given to such term in Section 2.3;
- (vv) “**Sale Procedures**” means the sale solicitation process scheduled to the Sale Procedures Order, with any amendments thereto to be acceptable to each of the Seller and the Buyers, each acting reasonably;
- (ww) “**Sale Procedures Order**” means the form of Court order attached as Schedule “1.1(ww)” hereto, with any amendments thereto to be acceptable to each of the Seller and the Buyers, each acting reasonably;
- (xx) “**Seller**” has the meaning given to such term in the preamble to this Agreement;
- (yy) “**Services Agreement**” means the Services Agreement made as of March 21, 2018, among the Seller and its subsidiaries;

- 8 -

- (zz) “**TA**” has the meaning given to such term in Recital B;
- (aaa) “**TA Business**” has the meaning given to such term in Recital B;
- (bbb) “**TA Holdings**” has the meaning given to such term in Recital B;
- (ccc) “**TA Holdings Shares**” has the meaning given to such term in Section 2.1;
- (ddd) “**TA Shares**” has the meaning given to such term in Recital B;
- (eee) “**Tax**” and “**Taxes**” means any and all:
 - (i) taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Authority, including those with respect to goods and services, harmonized sales, transfer, land transfer, use, real or personal property, and registration fees; and
 - (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority on or in respect of amounts of the type described in clause (i) above or this clause (ii);
- (fff) “**Tax Act**” means the *Income Tax Act* (Canada), as amended and any relevant legislation of a province imposing tax similar to the *Income Tax Act* (Canada);
- (ggg) “**Taxing Authority**” means any Governmental Authority, domestic or foreign, having jurisdiction over the assessment, determination, collection, or other imposition of any Tax;
- (hhh) “**Transaction**” means, collectively, the of sale and purchase of the Purchased Assets pursuant to this Agreement and all other transactions contemplated by this Agreement that are to occur contemporaneously with the sale and purchase of the Purchased Assets;
- (iii) “**Transfer Taxes**” has the meaning given to such term in Section 7.4(c);
- (jjj) “**Transition Services**” has the meaning given to such term in Section 7.6; and
- (kkk) “**Transition Services Agreements**” has the meaning given to such term in Section 7.6.

1.2 Schedules

The schedules to this Agreement are an integral part of this Agreement.

<u>Schedule</u>	<u>Description</u>
Schedule 1.1(d)	Form of Approval and Vesting Order

- 9 -

Schedule 1.1(ww)	Sale Procedures Order
Schedule 2.1(b)	Assigned Contracts

1.3 Statutes

Unless specified otherwise, reference in this Agreement to a statute refers to that statute as it may be amended, or to any restated or successor legislation of comparable effect.

1.4 Headings and Table of Contents

The inclusion of headings and a table of contents in this Agreement is for convenience of reference only and shall not affect the construction or interpretation hereof.

1.5 Gender and Number

In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.

1.6 Currency

Except where otherwise expressly provided, all amounts in this Agreement are stated and shall be paid in Canadian dollars.

1.7 Invalidity of Provisions

Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof.

1.8 Entire Agreement

This Agreement and the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties and set out all the covenants, promises, warranties, representations, conditions and agreements between the Parties in connection with the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, pre-contractual or otherwise. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, whether oral or written, pre-contractual or otherwise, express, implied or collateral between the Parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement and any document required to be delivered pursuant to this Agreement.

1.9 Waiver, Amendment

Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless executed in writing by all Parties hereto. No waiver of any

- 10 -

provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

1.10 Governing Law; Jurisdiction and Venue

This Agreement, the rights and obligations of the Parties under this Agreement, and any claim or controversy directly or indirectly based upon or arising out of this Agreement or the Transaction (whether based on contract, tort, or any other theory), including all matters of construction, validity and performance, shall in all respects be governed by, and interpreted, construed and determined in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein, without regard to the conflicts of law principles thereof. The Parties consent to the exclusive jurisdiction and venue of the Court prior to a Final order of the Court terminating the CCAA Proceedings and thereafter to the Courts of Ontario for the resolution of any disputes arising under this Agreement. Each Party agrees that service of process on such Party as provided in Section 11.6 shall be deemed effective service of process on such Party.

1.11 Buyers' Representative

- (a) Each Buyer, by entering into this Agreement, irrevocably agrees that Clairvest GP is authorized and required to act in its discretion in the name of and on behalf of all Buyers in all respects in connection with all provisions under this Agreement, including taking all decisions, carrying out actions, sending and receiving notices and consenting and agreeing to amendments, waivers and modifications. The Seller shall recognize Clairvest GP as the Person entitled to exercise the rights granted to the Buyers and may rely on any action taken or decision made by Clairvest GP on behalf of the Buyers.
- (b) By executing this Agreement, Clairvest GP hereby: (i) accepts its appointment and authorization to act as Buyers' agent and attorney on behalf of the Buyers in accordance with the terms of this Agreement; and (ii) agrees to perform its obligations under, and otherwise comply with, this Section 1.11.

ARTICLE 2 PURCHASE AND SALE

2.1 Agreement to Purchase and Sell Purchased Assets

Upon and subject to the terms and conditions of this Agreement, at the Closing the Seller shall sell, assign, transfer, convey and deliver, and the Buyers shall purchase, free and clear of all Encumbrances other than the Permitted Encumbrances, all of the Seller's right, title and interest in, to and under, or relating to: (i) *TA Holdings Shares* – 253.83602 issued and outstanding Class A common shares in the capital of TA Holdings (the "**TA Holdings Shares**"), together with any share certificates, powers of attorney, endorsements, rights to purchase or otherwise acquire or obtain any additional shares of, or equity in, TA Holdings or TA, including, without limitation, any and all conversion rights in respect thereof, and transfer powers evidencing or in respect of the TA Holdings Shares; (ii) the assets, property and undertaking, owned by the Seller and used

- 11 -

solely in connection with or for the benefit of TA and the TA Business; and (iii) the Residual Assets (collectively the “**Purchased Assets**”), including, without limitation, the following property, assets and undertaking:

- (a) *Books and Records* – all original books and records, minute books, corporate seals, Tax records, taxpayer and other identification numbers and other documents relating thereto, and records otherwise relating to the organization, maintenance and existence of each of TA Holdings and TA (in the case of TA, only to the extent that the Seller has such assets) as Persons or otherwise relating to the TA Business or any administrative functions in respect thereof (including, without limitation, all books and records relating to any accounting, finance, payroll, human resource, and other administrative functions), and whether in hardcopy or electronic form;
- (b) *Assigned Contracts* – to the extent not already assigned by the Seller to TA pursuant to the Services Agreement, each of the Contracts relating to the TA Business set out on Schedule 2.1(b) hereto, as such schedule may be amended by Buyers in their sole discretion prior to Closing to add or remove Contracts (provided, for greater certainty, that there shall be no change in the Purchase Price resulting from any such additions or deletions to the schedule) (the “**Assigned Contracts**”);
- (c) *Intercompany Claims and Other Claims of the Seller Against Other Persons* – any and all debts, liabilities, obligations, causes of action and other claims that the Seller may have against TA Holdings, TA or any other Person (including, without limitation, the officers and directors of the Seller, TA Holdings or TA), whether presently existing or contingent, or otherwise based on facts in existence and knowable to the Seller as of the Closing Date; and
- (d) *Other Assets* – any other property, assets and undertaking of the Seller that are specifically identified by the Buyers on or before Closing and that relate to or are otherwise necessary to conduct the TA Business (provided, for greater certainty, that there shall be no further increase in the Purchase Price resulting therefrom).

On or before the Closing Date, the Buyers shall provide the Seller with a document specifying the number of TA Holdings Shares that each Buyer is to receive on Closing.

2.2 Assumption of Liabilities

The Buyers shall assume as of the Closing Date and shall pay, discharge and perform, as the case may be, from and after the Closing Date the following liabilities and obligations of the Seller (collectively, the “**Assumed Liabilities**”):

- (a) *Obligations under Assigned Contracts, etc.* – all liabilities and obligations (including any cure costs but excluding any post-filing costs, such post-filing costs to be paid by the Seller) under or in respect of the Assigned Contracts; and

- 12 -

- (b) *Permitted Encumbrances* – all liabilities and obligations arising from, or in relation to, the Permitted Encumbrances,

but the Buyers shall not be liable for, or assume, any other obligations or liabilities of the Seller (all such other obligations or liabilities, the “**Excluded Liabilities**”).

2.3 Assignment of Purchased Assets

The Seller and the Buyers shall use their reasonable commercial efforts to obtain prior to the Closing Date any necessary consents or approvals in order to assign the Assigned Contracts. To the extent assignable and transferable to the Buyers, all Assigned Contracts shall be assigned by the Seller to the Buyers on Closing.

Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an agreement to assign or transfer any Purchased Asset or any right thereunder if an attempted assignment or transfer of such Purchased Asset or right thereunder without the consent of a third Person would constitute a breach thereunder (“**Restricted Rights**”), unless: (i) such consent is obtained; or (ii) the assignment has been ordered by the Court. The Seller shall hold any such Restricted Rights in trust for the Buyers until such time as consent and/or approval has been obtained, to the extent applicable. If a consent to transferring the Restricted Rights to the Buyers is not obtained, or such assignment is not attainable, the Seller and the Buyers will cooperate and use their respective commercially reasonable efforts to implement a mutually agreeable arrangement pursuant to which the Buyers will obtain the benefits and assume the liabilities and obligations related to such Restricted Rights in accordance with this Agreement including, at the election and expense of the Buyers, applying to the Court before or after Closing for an order compelling the assignment and for related relief, including, without limitation, pursuant to Section 11.3 of the CCAA.

The Seller and the Buyers shall use their reasonable commercial efforts to obtain prior to the Closing Date any necessary consents or approvals arising from, or in relation to, any change of control provisions in Contracts of TA Holdings and TA. If any such consent or approval is not obtained, or any such consent or approval is not attainable, the Seller and the Buyers will cooperate and use their respective commercially reasonable efforts to implement a mutually agreeable arrangement pursuant to which TA or the Buyers, as the case may be, will continue to enjoy the benefits of, and remain liable and obligated under, such Contracts of TA Holdings and TA, including, at the election and expense of the Buyers, applying to the Court before or after Closing for an order compelling, overriding, or obviating the need to obtain, any such approval or consent and for related relief.

In the event that the Transaction is subject to a consent requirement pursuant to any Contract of TA Holdings and TA so as not to be in breach of, or to otherwise permit the termination of, such Contract, the Seller and the Buyers shall use their reasonable commercial efforts to obtain any such consent on or before Closing.

To the extent that the Seller would incur any out-of-pocket costs and expenses after the Closing Time in order to comply with a specific obligation under this Section 2.3, the Seller shall not have to incur such out-of-pocket costs and expenses to comply with such obligation unless

- 13 -

the Buyers shall have provided the Seller with the funds necessary to pay such out-of-pocket costs and expenses.

Notwithstanding the foregoing: (i) nothing in this Section 2.3 shall require the Seller to renew any Restricted Rights once they have expired; and (ii) any efforts required of the Seller pursuant to this Section 2.3 shall be strictly on an interim basis and in no event be required to continue for more than 120 days following the Closing Date.

2.4 Excluded Obligations

Other than the Assumed Liabilities, the Buyers shall not assume and shall not be liable, directly or indirectly, or otherwise responsible for any debts, liabilities or other obligations of the Seller to any Person.

2.5 “As is, Where Is”

The Buyers acknowledge and agree that all of the Purchased Assets are being purchased on an “as is, where is” basis as they shall exist at Closing. Unless and solely to the extent expressly set forth in this Agreement, no representation, warranty or covenant is expressed or implied by the Seller, including any warranties as to title, encumbrances, description, merchantability or fitness for a particular purpose, environmental compliance, condition, quantity or quality, or in respect of any other matter or thing whatsoever concerning the Business, the TA Business and/or the Purchased Assets or the right of the Seller to sell or assign the same. Without limiting the generality of the foregoing, any and all conditions, warranties, or representations expressed or implied pursuant to the *Sale of Goods Act* (Ontario), as amended, or similar legislation do not apply hereto and have been waived by the Buyers. This Section 2.5 shall not merge on Closing and is deemed incorporated by reference into all Closing Documents and deliveries.

ARTICLE 3 PURCHASE PRICE AND RELATED MATTERS

3.1 Purchase Price

The purchase price payable by the Buyers to the Seller for the Purchased Assets (the “**Purchase Price**”) shall be: (i) the amount of the Clairvest Credit Bid Amount; plus (ii) the amount of the Assumed Liabilities. The Buyers shall satisfy the Purchase Price at the Closing Time by: (i) applying the Clairvest Credit Bid Amount against the Purchase Price (thereby reducing either or both of the Clairvest Secured Indebtedness Amount and the Clairvest DIP Indebtedness Amount by the Clairvest Credit Bid Amount, in such respective amounts as the Buyers may determine pursuant to Section 3.3); (ii) assuming the Assumed Liabilities.

3.2 Purchase Price Allocation Among Purchased Assets

The Purchase Price shall be allocated among each class of Purchased Assets as agreed by the Parties on or before Closing, acting reasonably. Such allocation shall be binding and the Buyers and the Seller shall each report the purchase and sale of the Purchased Assets for all tax purposes in a manner consistent with such allocation, and will complete and file all tax returns,

- 14 -

designations, elections and filings that are necessary or desirable under the Tax Act to give effect to such allocations and shall not take any position or action inconsistent with such allocation.

3.3 Purchase Price Allocation Between Purchase Price Components

The Clairvest Credit Bid Amount component of the Purchase Price shall be allocated between the Clairvest Secured Indebtedness Amount and the Clairvest DIP Indebtedness Amount, as determined by the Buyer, in its sole discretion, on or before Closing. Such allocation shall be binding and the Buyer and the Seller shall each report the purchase and sale of the Purchased Assets for all tax purposes in a manner consistent with such allocation, and will complete and file all tax returns, designations, elections and filings that are necessary or desirable under the Tax Act to give effect to such allocations and shall not take any position or action inconsistent with such allocation.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES BY THE SELLER

The Seller represents and warrants to the Buyers and acknowledges that the Buyers are relying upon the following representations and warranties in connection with its purchase of the Purchased Assets the matters set out below:

4.1 Existence

The Seller is duly incorporated, organized and existing under the laws of its jurisdiction of organization. TA Holdings is duly organized and validly existing under the laws of its jurisdiction of organization. TA is duly organized and validly existing under the laws of its jurisdiction of organization.

4.2 Recitals

The Recitals hereto are true and correct as of the date of this Agreement.

4.3 Due Authorization and Enforceability of Obligations

Subject to Court Approval being obtained, the Seller has all necessary power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement. The execution and delivery of each of this Agreement, the Closing Documents and the consummation of the Transaction has been duly authorized by all necessary corporate action of the Seller. This Agreement has been, and at the Closing Time the Closing Documents will be, duly executed and delivered by the Seller and constitutes a valid and binding obligation of the Seller enforceable against it in accordance with its terms, as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization and similar laws affecting creditors generally and by general principles of equity.

4.4 Right to Sell, and Title to, Purchased Assets

The Seller is the registered and/or beneficial owner of the Purchased Assets, with good and marketable title thereto. At the Closing, the Seller shall convey to the Buyers all of the

- 15 -

Seller's right, title and interest in and to the Purchased Assets free and clear of all Encumbrances except for Permitted Encumbrances, except with respect to any Assigned Contracts for which consent of a third Person is required for an assignment of such Contract and has not been obtained at the Closing Time.

4.5 TA Holdings Shares and TA Shares

Other than the Buyers, or affiliates thereof, the TA Holdings Shares have not been pledged by the Seller to any Person. The Seller does not hold and has not at any time granted to any Person: (i) any presently outstanding rights or privileges to acquire any unissued equity of TA Holdings; (ii) any right to purchase or otherwise acquire all or any part of the TA Holdings Shares; or (iii) any presently outstanding options, warrants, stock plans or other instruments convertible into equity or other securities of TA Holdings or pursuant to which any Person may acquire equity or other securities of TA Holdings.

Other than the Buyers, or affiliates thereof, the TA Shares have not been pledged by the Seller to any Person. The Seller and TA Holdings do not hold and have not at any time granted to any Person: (i) any presently outstanding rights or privileges to acquire any unissued equity of TA; (ii) any right to purchase or otherwise acquire all or any part of the TA Shares; or (iii) any presently outstanding options, warrants, stock plans or other instruments convertible into equity or other securities of TA or pursuant to which any Person may acquire equity or other securities of TA.

4.6 Absence of Conflicts

Except for Court Approval, the Seller is not a party to, bound or affected by or subject to any provision in its articles, by-laws or other constating documents or Applicable Laws or Governmental Authorizations that would be violated, breached by, or under which any default would occur or with notice or the passage of time would be created as a result of the execution and delivery of, or the performance of obligations under, this Agreement or any Closing Documents to be entered into or delivered under the terms of this Agreement, except for any violations, breaches or defaults or any Applicable Laws or Governmental Authorizations that would not have a Material Adverse Effect on the conduct of the Business or on the ability of the Seller to consummate the Transaction.

4.7 Approvals and Consents

Except for: (a) Court Approval; (b) any consent required in connection with the assignment of any Assigned Contract or any Purchased Asset; and (c) any consent or approval arising from, or in relation to, any change of control provisions in Contracts of TA Holdings or TA, no authorization, consent or approval of, or filing with or notice to, any Governmental Authority or any other Person is required in connection with the execution, delivery or performance of this Agreement by the Seller and each of the Closing Documents to be executed and delivered by the Seller hereunder or the purchase of any of the Purchased Assets hereunder.

- 16 -

4.8 Residence of the Seller

The Seller is not a non-resident of Canada within the meaning of section 116 of the Tax Act.

4.9 HST Registration

The Seller is registered for purposes of HST Legislation and will provide its registration numbers to the Buyers.

4.10 Brokers

No broker, finder or investment banker is entitled to any brokerage commission, finder's fee or other similar payment in connection with the Transaction based upon arrangement made by or on behalf of the Seller.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF THE BUYERS

The Buyers represent and warrant to the Seller as follows, and acknowledge that the Seller is relying upon the following representations and warranties in connection with its sale of the Purchased Assets:

5.1 Existence

The Buyers (other than G. John Krediet) are duly organized and validly existing under the laws of their respective jurisdiction of organization. G. John Krediet is a resident of the Netherlands.

5.2 Recitals

The Recitals hereto are true and correct as of the date of this Agreement.

5.3 Due Authorization and Enforceability of Obligations

The Buyers have all necessary power, authority and capacity to enter into this Agreement and to carry out their obligations under this Agreement. The execution and delivery of this Agreement and the consummation of the Transaction have been duly authorized by all necessary action of the Buyers. This Agreement has been duly executed and delivered by the Buyers and constitutes a valid and binding obligation of the Buyers enforceable against them in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization and similar laws affecting creditors generally and by general principles of equity. At the Closing Time, the Closing Documents required by this Agreement to be delivered by the Buyers will be duly executed and delivered by the Buyers and will constitute valid and binding obligations of the Buyers enforceable against them in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization and similar laws affecting creditors generally and by general principles of equity.

5.4 Absence of Conflicts

The Buyers are not party to, bound or affected by or subject to any provision in their articles, by-laws or other constating documents or Applicable Laws or governmental authorizations, approvals, franchises, orders, certificates, consents, directives, notices, licences, permits, variances, registrations or other rights issued, granted or given by or from any Governmental Authority, as applicable, that would be violated, breached by, or under which any default would occur or with notice or the passage of time would, be created as a result of the execution and delivery of, or the performance of obligations under, this Agreement or any other agreement or document to be entered into or delivered under the terms of this Agreement, except for any violations, breaches or defaults or any Applicable Laws or any governmental authorizations, approvals, orders, certificates, consents, directives, notices, licences, permits, variances, registrations or other rights issued, granted or given by or from any Governmental Authority, as applicable, that would not have a material and adverse effect on the ability of the Buyers to consummate the transactions hereunder.

5.5 Approvals and Consents

Except for: (a) Court Approval; (b) any consent required in connection with the assignment of any Assigned Contract or any Purchased Asset; and (c) any consent or approval arising from, or in relation to, any change of control provisions in Contracts of TA Holdings or TA, no authorization, consent or approval of, or filing with or notice to, any Governmental Authority or any other Person is required in connection with the execution, delivery or performance of this Agreement by the Buyers and each of the Closing Documents to be executed and delivered by the Buyers hereunder or the purchase of any of the Purchased Assets hereunder.

5.6 Residence of the Buyers

The Buyers (other than G. John Krediet) are not non-residents of Canada within the meaning of section 116 of the Tax Act.

5.7 HST Registration

The Buyers, or their assignee(s) acquiring the Purchased Assets, are, or at the Closing Time will be, registered for purposes of HST Legislation and will provide their registration numbers to the Seller.

5.8 *Investment Canada Act*

The Buyers (other than G. John Krediet) are (a) either “Canadians” or “WTO investors” within the meaning of the *Investment Canada Act*; and (b) are not “state-owned enterprises” within the meaning of the *Investment Canada Act*.

5.9 No Additional Due Diligence

The Buyers acknowledge and agrees that: (a) they have had an opportunity to conduct any and all due diligence regarding the Purchased Assets and the Business prior to the execution of this Agreement; (b) they have relied solely upon their own independent review, investigation

- 18 -

and/or inspection of any documents and/or the Purchased Assets and/or the Business; (c) they are not relying upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied, (by operation of law or otherwise), regarding the Purchased Assets or the Business or the completeness of any information provided in connection therewith, except as expressly stated in this Agreement; and (d) the obligations of the Buyers under this Agreement are not conditional upon any additional due diligence.

5.10 Brokers

No broker, finder or investment banker is entitled to any brokerage commission, finder's fee or other similar payment in connection with the Transaction based upon arrangement made by or on behalf of the Buyers.

ARTICLE 6 CONDITIONS

6.1 Conditions for the Benefit of the Buyers and the Seller

The respective obligations of the Buyers and of the Seller to consummate the Transaction are subject to the satisfaction of, or compliance with, at or prior to the Closing Time, each of the following conditions for their mutual benefit:

- (a) no provision of any Applicable Law and no judgment, injunction, order or decree that prohibits the consummation of the Transaction pursuant to this Agreement shall have been issued and in effect;
- (b) no motion, action or proceedings shall be pending by or before a Governmental Authority to restrain or prohibit the completion of the Transaction;
- (c) the Sale Procedures Order shall have been issued and entered on or before April 4, 2018, or on or before such later date as the Parties agree to in writing, and shall be Final;
- (d) this Agreement is the Successful Bid (as defined in the Sale Procedures);
- (e) the Approval and Vesting Order shall have been issued and entered on or before June 14, 2018, or on or before such later date as the Parties agree to in writing, and shall be Final;
- (f) the Court shall not have permanently declined to grant the Approval and Vesting Order; and
- (g) each of the Buyers shall sign, and be bound by the terms of, all shareholders' agreements in respect of TA Holdings and TA, to the extent that such Buyer is not already a party to such agreements.

- 19 -

If the conditions set out in this Section 6.1 are not satisfied, performed or mutually waived on or before the Closing Date, either Party shall have the option to terminate this Agreement upon written notice to the other Party.

6.2 Conditions for the Benefit of the Buyers

The obligation of the Buyers to consummate the Transaction is subject to the satisfaction of, or compliance with, or waiver by the Buyers of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Buyers):

- (a) the representations and warranties of the Seller set forth in this Agreement shall be true and correct at the Closing Time with the same force and effect as if made at and as of such time, except where any failure or failures of any such representations and warranties to be so true and correct would not, individually or in the aggregate, cause a Material Adverse Change (and, for this purpose, any reference to “material”, “Material Adverse Change” or any other concept of materiality in such representations and warranties shall be ignored);
- (b) the covenants contained in this Agreement to be performed by the Seller at or prior to the Closing Time shall have been performed in all material respects as at the Closing Time;
- (c) after the date of this Agreement and before the Closing Time, there shall not have occurred any Material Adverse Change;
- (d) the Buyers shall have received on Closing a certificate confirming the satisfaction of the conditions contained in Sections 6.2(a) and 6.2(b), signed for and on behalf of the Seller without personal liability by an executive officer of the Seller or other Persons reasonably acceptable to the Buyers, in each case in form and substance reasonably satisfactory to the Buyers;
- (e) the Closing Documents, all other documents relating to the due authorization and completion of the Transaction and all actions and proceedings taken on or prior to the Closing in connection with the performance by the Seller of its obligations under this Agreement shall be satisfactory to the Buyers, acting reasonably, and the Buyers shall have received copies of all such documents and evidence that all such actions and proceedings have been taken as it may reasonably request in form and substance reasonably satisfactory to the Buyers;
- (f) the Purchased Assets shall be assigned and transferred to the Buyers free and clear of all Encumbrances other than Permitted Encumbrances in accordance with the Approval and Vesting Order, and the releases or discharges of all Encumbrances other than Permitted Encumbrances against the Purchased Assets, including any Court-ordered charges in the CCAA Proceedings, shall have been obtained in form and substance satisfactory to the Buyers, acting reasonably;

- 20 -

- (g) if, in its sole discretion, the Buyers have required the entry into one or more Transition Services Agreements, then all such Transition Services Agreements shall have been entered into among the Buyers, the Seller, TA Holdings, TA and the Seller's other subsidiaries, or any combination thereof, each in form and substance acceptable to the Buyers, acting reasonably;
- (h) the Seller shall not have repudiated or terminated the Services Agreement and shall not have ceased performing its obligations thereunder;
- (i) since the date first written above, no Material Adverse Change shall have occurred.

Any condition in this Section 6.2 may be waived by the Buyers in whole or in part, without prejudice to its rights of termination in the event of non-fulfillment of any other condition in whole or in part. If any condition set out in this Section 6.2 is not satisfied, performed or waived on or prior to the date specified therefor, the Buyers may elect on written notice to the Seller to terminate this Agreement.

6.3 Conditions for the Benefit of the Seller

The obligation of the Seller to consummate the Transaction is subject to the satisfaction of, or compliance with, or waiver where applicable, by the Seller of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Seller):

- (a) the representations and warranties of the Buyers set forth in this Agreement shall be true and correct in all material respects at the Closing Time with the same force and effect as if made at and as of such time;
- (b) the covenants contained in this Agreement to be performed by the Buyers at or prior to the Closing Time shall have been performed in all material respects as at the Closing Time;
- (c) the Seller shall have received on Closing a certificate confirming the satisfaction of the conditions contained in Sections 6.3(a) and 6.3(b) signed for and on behalf of the Buyers without personal liability by an executive officer of the Buyers or other persons reasonably acceptable to the Seller, in each case in form and substance reasonably satisfactory to the Seller; and
- (d) all other Closing Documents required pursuant to this Agreement to be delivered by the Buyers on Closing in form and substance reasonably satisfactory to the Seller.

Any condition in this Section 6.3 may be waived by the Seller in whole or in part, without prejudice to its rights of termination in the event of non-fulfillment of any other condition in whole or in part. If any condition set out in this Section 6.3.2 is not satisfied, performed or waived on or prior to the date specified therefor, the Seller may elect on written notice to the Buyers to terminate this Agreement.

ARTICLE 7
ADDITIONAL AGREEMENTS OF THE PARTIES

7.1 Access to Information

Until the Closing Time, and subject to the terms and conditions of the Sale Procedures and the Sale Procedures Order, the Seller shall give to the Buyers' personnel engaged in the Transaction and their accountants, advisers, consultants and representatives during normal business hours reasonable access to its premises and to all of the books and records relating to the Business and the Purchased Assets, and the Seller shall furnish them with all such information relating to the Business and the Purchased Assets as the Buyers may reasonably request in connection with the Transaction, and shall coordinate reasonable access by the Buyers to the customers and suppliers of the Business. Notwithstanding anything in this Section 7.1 to the contrary, any such investigation shall be conducted upon reasonable advance notice and in such manner as does not materially disrupt the conduct of the Business. The Seller shall also deliver to the Buyers authorizations to Governmental Authorities necessary to permit the Buyers to obtain information in respect of the Purchased Assets from the files of such Governmental Authorities.

7.2 Covenant Regarding Confidential Information

On or prior to Closing, the Seller shall request any Person that was furnished Confidential Information of the Seller in accordance with the Sale Procedures to return or destroy all such information.

7.3 Further Assurances

Each of the Parties hereto shall promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other Parties hereto may reasonably require from time to time for the purpose of giving effect to this Agreement and shall use commercially reasonable efforts and take all such steps as may be reasonably within its power to implement to their full extent the provisions of this Agreement. Upon and subject to the terms and conditions of this Agreement and subject to the directions of any applicable courts to the Seller, the Parties shall use their commercially reasonable efforts to take or cause to be taken all actions and to do or cause to be done all things necessary proper or advisable under Applicable Laws to consummate and make effective the Transaction, including using commercially reasonable efforts to satisfy the conditions precedent to the obligations of the Parties hereto.

7.4 Tax Matters

- (a) The Buyers and the Seller agree to use commercially reasonable efforts to furnish or cause to be furnished to each other, as promptly as practicable, such information and assistance relating to the Purchased Assets as is reasonably necessary for the preparation and filing of any Tax return, claim for refund or other required or optional filings relating to Tax matters, for the preparation for and proof of facts during any Tax audit, for the preparation for any Tax protest,

- 22 -

for the prosecution of any suit or other proceedings relating to Tax matters and for the answer to any governmental or regulatory inquiry relating to Tax matters.

- (b) For purposes of any Tax return related to the Transaction, the Buyers and, to the extent applicable, the Seller, agree to report the Transaction in a manner consistent with the Purchase Price allocation determined in accordance with Section 3.2, and the Buyers and the Seller shall not voluntarily take any action inconsistent therewith in any such Tax return, refund claim, litigation or otherwise, unless required by applicable Tax laws. The Buyers and the Seller shall each be responsible for the preparation of their own statements required to be filed under the Tax Act and other similar forms in accordance with applicable Tax laws.
- (c) All amounts payable by the Buyers to the Seller pursuant to this Agreement are exclusive of any HST, or any other federal, provincial, state or local or foreign value-added, sale, use, consumption, multi-staged, ad valorem, personal property, customs, excise, stamp, transfer, land or real property transfer, or similar Taxes, duties, or charges, or any recording or filing fees or similar charges (collectively, “**Transfer Taxes**”). All Transfer Taxes are the responsibility of and for the account of the Party required to pay such taxes under Applicable Laws. The Buyers and the Seller agree to cooperate to determine the amount of Transfer Taxes payable in connection with the Transaction. If the Seller is required by Applicable Law or by administration thereof to collect any applicable Transfer Taxes from the Buyers, the Buyers shall pay such amounts to the Seller concurrent with the payment of any consideration payable pursuant to this Agreement, and the Seller shall remit or account for such Transfer Taxes to the applicable Governmental Authority on a timely basis and otherwise in accordance with Applicable Laws.
- (d) The Seller shall not be required to deliver any certificates to the Buyers under section 6 of the *Retail Sales Tax Act* (Ontario) or under any similar provision contained in any other Applicable Law in respect of the Transfer Taxes.

7.5 Fees and Expenses

Except as expressly provided in this Agreement, all fees and expenses incurred in connection with the negotiation and settlement of this Agreement and the completion of the Transaction, including the fees and disbursements of counsel, financial advisors and accountants, shall be paid by the Person incurring such fees or expenses.

7.6 Transition Services

Provided that the Buyers agree to provide reasonable funding during any transition period, the Seller shall provide the Buyers with transition services relating to: (i) record keeping, financial, tax and other reporting obligations and other general administrative services as reasonably requested by the Buyers; and (ii) shared Contracts, services and assets both among the Seller, TA Holdings and TA and among the Seller, TA Holdings, TA and one or more of the

- 23 -

Seller's other subsidiaries, or between or among any combination of the foregoing parties (the "**Transition Services**"). The Buyers, in their sole discretion, may require that one or more agreements in respect of the Transition Services be entered into among the Buyers, the Seller, TA Holdings, TA and the Seller's other subsidiaries, or any combination thereof, each in form and substance acceptable to the Buyers, acting reasonably, that are necessary or desirable for the operation of the TA Business, including, without limitation, in the event that affiliates of the Buyers are not the successful bidders in other sales processes for the Seller's assets conducted in the CCAA Proceedings (such agreements, the "**Transition Services Agreements**").

Provided that the purchasers of the shares, assets and/or business of each of Great Slave Helicopters Ltd., Air Tindi Ltd. and Discovery Mining Services Ltd. agree to provide reasonable funding during any transition period, the Buyers agree to provide any Transition Services required by such purchasers on terms and conditions acceptable to the Buyers and to such purchasers, all acting reasonably.

ARTICLE 8 COURT ORDERS

8.1 Court Orders

- (a) As soon as reasonably possible after the execution of this Agreement, the Seller shall file a motion with the Court for the issuance of, and shall use its best efforts to obtain, the Sale Procedures Order. Such motion shall be scheduled for a date that is on or before April 4, 2018, subject to the availability of the Court.
- (b) Within the time period provided for in the Sale Procedures, and provided that the Buyers are the Successful Bidder (as defined in the Sale Procedures), the Seller shall file a motion with the Court for the issuance of, and shall use its best efforts to obtain, the Approval and Vesting Order. Such motion shall be scheduled for a date that is on or before June 14, 2018, subject to the availability of the Court.
- (c) The Seller shall use its best efforts to obtain any orders or relief described in Section 2.3 (such orders and relief, together with the Sale Procedures Order and the Approval and Vesting Order, collectively, the "**Court Orders**"). The Buyers shall cooperate with the Seller acting reasonably, as may be necessary, in obtaining the Court Orders, as applicable.
- (d) The Buyers and their legal counsel shall be given a reasonable opportunity to review and comment on:
 - (i) the Seller's motion materials for the issuance of the Sale Procedures Order; and
 - (ii) to the extent that the Buyers are the Successful Bidder, (A) the Seller's motion materials for the issuance of the Approval and Vesting Order; and (B) any other materials prepared by the Seller in connection with obtaining the Court Orders (for greater certainty, not including any report or materials filed by the Monitor),

- 24 -

which shall be in form and substance satisfactory to the Buyers prior to being served.

- (e) Notice of the motions seeking the issuance and entry of the Court Orders shall be served by the Seller on all Persons required to receive notice under Applicable Laws and the requirements of the Court, and any other Person determined necessary or advisable by the Seller or the Buyers.

ARTICLE 9 TERMINATION

9.1 Termination

This Agreement may be terminated at any time prior to Closing upon the occurrence of any of the following:

- (a) by mutual written consent of the Seller and the Buyers;
- (b) if the Buyers are not the Successful Bidder, by either party upon the earlier of: (i) thirty (30) days after the Bid Deadline (as defined in the Sale Procedures); and (ii) approval by the Court of the Accepted Bid (as defined in the Sale Procedures), provided, however, in the event that the Buyers are the Backup Bidder (as defined in the Sale Procedures), the Buyers may not terminate this Agreement until the closing of the Transaction with the Successful Bidder (as defined in the Sale Procedures);
- (c) by either Party (provided such Party is not in breach of its obligations under this Agreement so as to have caused a closing condition not to be fulfilled), upon written notice to the other, if any condition in Section 6.1 is unsatisfied as of the Closing Date;
- (d) by the Seller (provided that the Seller is not in breach of its obligations under this Agreement so as to have caused a closing condition not to be fulfilled), upon written notice to the Buyers, if any condition in Section 6.3 is unsatisfied on the Closing Date and such violation or breach has not been waived by the Seller or cured by the Buyers within three (3) Business Days after written notice thereof from the Seller to the Buyers; and
- (e) by the Buyers (provided that the Seller is not in breach of its obligations under this Agreement so as to have caused a closing condition not to be fulfilled), upon written notice to the Seller, if any condition in Section 6.2 is unsatisfied on the Closing Date and such violation or breach has not been waived by the Buyers or cured by the Seller within three (3) Business Days after written notice thereof from the Buyers to the Seller.

9.2 Effect of Termination

In the event of termination of this Agreement pursuant to Section 9.1, this Agreement shall forthwith become null and void, except as set forth in Section 9.2 and Article 11, and nothing herein shall relieve any Party from liability for any breach of this Agreement, or to impair the right of any Party to compel specific performance by any other Party of its obligations under this Agreement.

ARTICLE 10 CLOSING

10.1 Location and Time of Closing

The Closing shall take place at the Closing Time on the Closing Date at the Toronto, Ontario offices of Torys LLP, or at such other location as may be agreed upon in writing by the Parties hereto.

10.2 Closing Deliveries

- (a) At the Closing, the Seller shall deliver to the Buyers:
 - (i) the documents required to be delivered by the Seller pursuant to Sections 6.1 and 6.2;
 - (ii) the consents and approvals required to be obtained pursuant to Section 2.3;
 - (iii) one of more bills of sale or general or specific conveyances with respect to the conveyance of the Purchased Assets, in each case executed by the Seller;
 - (iv) to the extent required to be executed by the Seller, an instrument of assumption of liabilities with respect to the Assumed Liabilities;
 - (v) actual possession of the Purchased Assets to the Buyers (including the TA Holdings Shares); and
 - (vi) any other documents reasonably requested by the Buyers in order to effect or evidence the consummation of the Transaction or otherwise provided for under this Agreement.

- (b) At the Closing, the Buyers shall deliver to the Seller:
 - (i) evidence of the satisfaction of the Purchase Price as provided for in Section 3.1, in form and substance satisfactory to the Seller, acting reasonably;
 - (ii) a document specifying the Purchase Price allocation for tax purposes, as provided for in Section 3.2;

- 26 -

- (iii) a document specifying the allocation of the Clairvest Credit Bid Amount component of the Purchase Price, as provided for in Section 3.3;
- (iv) a document specifying the number of TA Holdings Shares that each Buyer is to receive on Closing;
- (v) to the extent required to be executed by the Buyers, one or more bills of sale or general or specific conveyances with respect to the conveyance of the Purchased Assets;
- (vi) an instrument of assumption of liabilities with respect to the Assumed Liabilities;
- (vii) evidence of payment of Transfer Taxes required by Applicable Law to be collected by the Seller, or, alternatively, if applicable, the election(s) referred to in Section 7.4, executed by the Buyers;
- (viii) the documents required to be delivered by the Buyers pursuant to Section 6.3; and
- (ix) any other documents reasonably requested by the Seller in order to effect or evidence the consummation of the Transaction or otherwise provided for under this Agreement.

10.3 Monitor's Certificate

The Parties hereby acknowledge and agree that the Monitor will be entitled to file the Monitor's Certificate with the Court without independent investigation upon receiving written confirmation from the Seller and the Buyers that: (i) all conditions to Closing set forth in Article 6 have been satisfied or waived, and (ii) the Buyers have paid or satisfied, and the Seller has received or received the benefit of, the Purchase Price, and the Monitor will have no liability to the Seller or the Buyers or any other Person as a result of filing the Monitor's Certificate or otherwise in connection with this Agreement or the transactions contemplated hereunder (whether based on contract, tort or any other theory).

ARTICLE 11 GENERAL MATTERS

11.1 Confidentiality

- (a) Except to the extent otherwise specifically provided in this Section 11.1, each Party, on behalf of itself and its affiliates, agrees to keep the other Party's Confidential Information confidential and not to use the other Party's Confidential Information in any manner except as required to perform the obligations set out in this Agreement. Each Party agrees to be responsible for any breach of this Section 11.1 by any of its affiliates and its and their respective directors, employees, advisors, agents and representatives.

- 27 -

- (b) Notwithstanding anything to the contrary herein, each Party maintains the right to disclose the other Party's Confidential Information if required to do so by Applicable Laws or requirement of a Governmental Authority, or to appropriate Tax authorities in order to describe the tax treatment and tax structure of the Transaction; provided that the disclosure of such Confidential Information will be limited only to that purpose and provided further that it will use reasonable efforts to cooperate with the other Party in limiting the disclosure of the Confidential Information.
- (c) At the other Party's request, a Party will destroy all of the other Party's Confidential Information, provided that it is permitted to retain one copy of any Confidential Information to the extent required by Applicable Laws or its internal record keeping policies.
- (d) Any Confidential Information of the Seller that constitutes part of the Purchased Assets will cease to be Confidential Information of the Seller and will become Confidential Information of the Buyers on Closing.

11.2 Public Notices

No press release or other announcement concerning the Transaction shall be made by the Seller or by the Buyers without the prior consent of the other (such consent not to be unreasonably withheld); provided, however, that subject to the last sentence of this Section 11.2, any Party may, without such consent, make such disclosure if the same is required by Applicable Law (including the CCAA Proceedings) or by any insolvency or other court or securities commission or other similar regulatory authority having jurisdiction over such Party or any of its affiliates, and, if such disclosure is required, the Party making such disclosure shall use commercially reasonable efforts to give prior oral or written notice to the other, and if such prior notice is not possible, to give such notice immediately following the making of such disclosure. Notwithstanding the foregoing: (i) this Agreement may be filed by the Seller with the Court; (ii) the Transaction may be disclosed by the Seller to the Court, subject to redacting confidential or sensitive information as permitted by Applicable Laws; and (iii) the Seller may communicate freely with the Monitor as and to the extent required in connection with the CCAA Proceedings, the Sale Procedure and the Court Orders. The Parties further agree that:

- (a) the Seller may prepare and file reports and other documents with the Court containing references to the Transaction and the terms thereof, including for the purpose of obtaining the Court Orders; and
- (b) the Seller and their professional advisors may prepare and file such reports and other documents in the CCAA Proceedings containing references to the Transaction and the terms thereof as may reasonably be necessary to complete the Transaction or to comply with their obligations in connection therewith. Wherever possible, the Buyers shall be afforded an opportunity to review and comment on such materials prior to their filing.

- 28 -

Each of the Parties may issue a press release announcing the execution and delivery of this Agreement, in form and substance mutually agreed to by all of the Parties.

11.3 Survival

The representations and warranties of the Seller in this Agreement or in any agreement, document or certificate delivered pursuant to or in connection with this Agreement or the Transaction are set forth solely for the purpose of Section 6.2 and none of them shall survive Closing. The Seller shall have no liability, whether before or after the Closing, for any breach of the Seller's representations, and the Buyers acknowledge that their exclusive remedy for any such breach shall be termination of this Agreement prior to the Closing (but only if permitted by Section 9.1).

11.4 Non-Recourse

No past, present or future director, officer, employee, incorporator, member, partner, stockholder, affiliate, agent, attorney or representative of the respective Parties hereto, in such capacity, shall have any liability for any obligations or liabilities of the Buyers or the Seller, as applicable, under this Agreement or for any claim based on, in respect of, or by reason of, the Transaction.

11.5 Assignment; Binding Effect

No Party may assign its right or benefits under this Agreement without the consent of the other Party hereto, except that without such consent the Buyers may: (i) assign any or all of their rights and obligations hereunder to one or more of their subsidiaries or affiliates, as applicable; or (ii) direct that title to all or some of the Purchased Assets be transferred to one or more of their subsidiaries or affiliates, as applicable, provided that no such assignment or direction shall relieve the Buyers of their obligations hereunder; provided further that if the Buyers shall have assigned all of their rights and obligations hereunder the Buyers shall, immediately following the Closing, be deemed fully released from all of the Buyers' obligations hereunder. References to the Buyers' residency for Tax purposes and to the Buyers' status under the Investment Canada Act are references to the ultimate Buyers. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective permitted successors and permitted assigns. Nothing in this Agreement shall create or be deemed to create any third Person beneficiary rights in any Person or entity not a Party to this Agreement other than the third party beneficiaries of Section 11.4 hereof.

11.6 Notices

Any notice, request, demand or other communication required or permitted to be given to a Party pursuant to the provisions of this Agreement will be in writing and will be effective and deemed given under this Agreement on the earliest of: (i) the date of personal delivery; (ii) the date of transmission by email, with confirmed transmission and receipt (if sent during normal business hours of the recipient, if not, then on the next Business Day); (iii) two days after deposit with a nationally-recognized courier or overnight service such as Federal Express; or (iv) five days after mailing via certified mail, return receipt requested. All notices not delivered

- 29 -

personally or by facsimile will be sent with postage and other charges prepaid and properly addressed to the Party to be notified at the address set forth for such Party:

(a) If to the Buyers at:

c/o Clairvest Group Inc.
22 St. Clair Avenue East
Suite 1700
Toronto, Ontario M4T 2S3

Attention: James H. Miller, General Counsel and Corporate Secretary
Email: jmiller@clairvest.com

with copies (which shall not in itself constitute notice) to:

Torys LLP
TD Centre
79 Wellington Street West, 30th Floor
Toronto, Ontario M5K 1N2

Attention: David Bish / Adam Slavens
Email: dbish@torys.com / aslavens@torys.com

(b) If to the Seller at:

Discovery Air Inc.
170 Attwell Drive, Suite 370
Toronto, Ontario M9W 5Z5

Attention: David Kleiman
Email: david.kleiman@discoveryair.com

with copies (which shall not in itself constitute notice) to:

Goldman Sloan Nash & Haber LLP
480 University Ave Suite 1600
Toronto, Ontario M5G 1V2

Attention: Mario Forte / Michael Rotsztain
Email: forte@gsnh.com / rotsztain@gsnh.com

and to:

KSV Kofman Inc.
150 King Street West, Suite 2308
Toronto, Ontario M5H 1J9

Attention: Bobby Kofman / David Sieradzki
Email: bkofman@ksvadvisory.com / dsieradzki@ksvadvisory.com

- 30 -

with copies (which shall not in itself constitute notice) to:

Goodmans LLP
Bay Adelaide Centre – West Tower
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Attention: L. Joseph Latham
Email: jlatham@goodmans.ca

Any Party may change its address for service from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to such Party at its changed address.


11.7 Counterparts; Facsimile Signatures

This Agreement may be signed in counterparts and each of such counterparts shall constitute an original document and such counterparts, taken together, shall constitute one and the same instrument. Execution of this Agreement by any of the Parties hereto may be evidenced by facsimile, scanned e-mail or internet transmission copy of this Agreement bearing such signature which, for all purposes, shall be deemed to be an original signature.

[Remainder of page intentionally blank]

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the date first written above.

DISCOVERY AIR INC.

By: 

Name:
Title:

By: 

Name:
Title:

**CLAIRVEST EQUITY PARTNERS IV
LIMITED PARTNERSHIP, by its general
partner, CLAIRVEST GP MANAGECO INC.**

Per: _____

Name:
Title:

Per: _____

Name:
Title:


IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the date first written above.

DISCOVERY AIR INC.

By: _____
Name:
Title:


By: _____
Name:
Title:

CLAIRVEST EQUITY PARTNERS IV LIMITED PARTNERSHIP, by its general partner, CLAIRVEST GP MANAGECO INC.

Per: 
Name: **B. Jeffrey Parr**
Title: **Vice Chairman and Managing Director**

Per: 
Name: **Daniel Cheng**
Title: **Chief Financial Officer**


CLAIRVEST EQUITY PARTNERS IV-A LIMITED PARTNERSHIP, by its general partner, **CLAIRVEST GENERAL PARTNER IV LIMITED PARTNERSHIP**, by its general partner, **CLAIRVEST GP (GPLP) INC.**

Per: 
Name: B. Jeffrey Parr
Title: Vice Chairman and Managing Dire

Per: 
Name: Daniel Cheng
Title: Chief Financial Officer

CEP IV CO-INVESTMENT LIMITED PARTNERSHIP, by its general partner, **CLAIRVEST GENERAL PARTNER IV LIMITED PARTNERSHIP**, by its general partner, **CLAIRVEST GP (GPLP) INC.**

Per: 
Name: B. Jeffrey Parr
Title: Vice Chairman and Managing Director

Per: 
Name: Daniel Cheng
Title: Chief Financial Officer

- 33 -

DA HOLDINGS LIMITED PARTNERSHIP,
by its general partner, CLAIRVEST GP
MANAGECO INC.

Per: _____
Name:
Title:

Per: _____
Name:
Title:

Valerie Moussignac
Witness Valerie Moussignac

G. JOHN KREDIET
G. JOHN KREDIET

Acknowledged by:

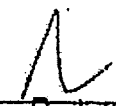
CLAIRVEST GP MANAGECO INC.

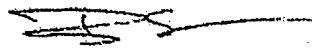
By: _____
Name:
Title:

By: _____
Name:
Title:

- 33 -

DA HOLDINGS LIMITED PARTNERSHIP,
by its general partner, **CLAIRVEST GP**
MANAGECO INC.

Per: 
Name: B. Jeffrey Parr
Title: Vice Chairman and Managing Director

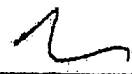
Per: 
Name: Daniel Cheng
Title: Chief Financial Officer

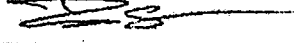
Witness

G. JOHN KREDIET

Acknowledged by:

CLAIRVEST GP MANAGECO INC.

By: 
Name: B. Jeffrey Parr
Title: Vice Chairman and Managing Director

By: 
Name: Daniel Cheng
Title: Chief Financial Officer

Schedule 1.1(d)
Form of Approval and Vesting Order

Court File No.:

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE)
JUSTICE) DAY OF , 2018

IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF DISCOVERY AIR INC.

APPLICANT

**APPROVAL AND VESTING ORDER
(Top Aces)**

THIS MOTION, made by Discovery Air Inc. (the “Applicant”) for an order approving the sale transaction (the “Transaction”) contemplated by an asset purchase agreement (the “Sale Agreement”) between the Applicant and CEP IV Co-Investment Limited Partnership, Clairvest Equity Partners IV Limited Partnership, Clairvest Equity Partners IV-A Limited Partnership, DA Holdings Limited Partnership and G. John Krediet (collectively, the “Purchasers”) dated ■, 2018, and appended to ■, and vesting in the Purchasers the Applicant’s right, title and interest in and to the Purchased Assets (as defined in the Sale Agreement), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING ■, filed, and on hearing the submissions of counsel for the Applicant, KSV Kofman Inc., in its capacity as the monitor of the Applicant (the “Monitor”), and the Purchasers, no one appearing for any other person on the service list, although properly served as appears from the affidavit of ■ sworn ■, 2018, filed:

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Sale Agreement by the Applicant is hereby authorized and approved, with such minor amendments as the Applicant and the Purchasers, with the consent of the Monitor, may agree upon pursuant to the Sale Agreement. The Applicant, with the consent of the Monitor, is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchasers.

3. THIS COURT ORDERS AND DECLARES that upon the delivery of a Monitor's certificate to the Purchasers substantially in the form attached as Schedule "A" hereto (the "Monitor's Certificate"), all of the Applicant's right, title and interest in and to the Purchased Assets shall vest absolutely in the Purchasers, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice ■ dated ■, 2018; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal or movable property registry system in any provinces or territories in Canada, including, without limitation, under the Civil Code of Quebec; and (iii) any Excluded Liabilities (as defined in the Sale Agreement) (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule "B" or the Assumed Liabilities (as defined in the Sale Agreement)). This Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. THIS COURT ORDERS that all counterparties to any Contract (as defined in the Sale Agreement) to which Top Aces Holdings Inc. or Top Aces Inc. is a party or beneficiary, are

prohibited from exercising any right or remedy under such Contract, including, without limitation, any rights of termination, that arise as a result of, or otherwise relate to, the Transaction, the insolvency of the Applicant, the commencement of the Applicant's proceedings under the *Companies' Creditors Arrangement Act* (Canada) (the "CCAA") or any relief granted in such proceedings.

5. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Monitor's Certificate all Claims and Encumbrances shall attach to the net proceeds from the 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.

6. THIS COURT ORDERS AND DIRECTS the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof.

7. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Applicant is authorized and permitted to disclose and transfer to the Purchasers all human resources and payroll information in the Applicant's records pertaining to the Applicant's past and current employees. The Purchasers shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to them in a manner which is in all material respects identical to the prior use of such information by the Applicant.

8. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Applicant and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Applicant;

the vesting of the Purchased Assets in the Purchasers pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicant and shall not be void or voidable by creditors of the Applicant, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) 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.

9. 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 Applicant and the Monitor 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 orders and to provide such assistance to the Applicant and the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

Schedule "A" - Form of Monitor's Certificate

Court File No.: _____

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF DISCOVERY AIR INC.

APPLICANT

**MONITOR'S CERTIFICATE
(Top Aces)**

RECITALS

A. Pursuant to an Order of the Honourable ■ of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated ■, 2018, KSV Kofman Inc. was appointed as the monitor (the "Monitor") of Discovery Air Inc. (the "Applicant").

B. Pursuant to an Order of the Court dated ■, 2018, the Court approved the agreement of purchase and sale made as of ■, 2018 (the "Sale Agreement") between the Applicant and CEP IV Co-Investment Limited Partnership, Clairvest Equity Partners IV Limited Partnership, Clairvest Equity Partnership IV-A Limited Partnership, DA Holdings Limited Partnership and G. John Krediet (collectively, the "Purchasers") and provided for the vesting in the Purchasers of the Applicant'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 the Monitor to the Purchasers of a certificate confirming: (i) the payment by the Purchasers of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in Article 6 of the Sale Agreement

have been satisfied or waived by the Applicant and the Purchasers; and (iii) the Transaction has been completed to the satisfaction of the Monitor.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE MONITOR CERTIFIES the following:

1. The Purchasers have paid and the Applicant 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 Article 6 of the Sale Agreement have been satisfied or waived by the Applicant and the Purchasers; and
3. The Transaction has been completed to the satisfaction of the Monitor.
4. This Certificate was delivered by the Monitor at _____ [TIME] on _____ [DATE].

**KSV KOFMAN INC., in its capacity as
Monitor of Discovery Air Inc., and not in its
personal capacity**

Per: _____

Name:

Title:

Schedule “B” – Permitted Encumbrances

Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

1. Encumbrances imposed by Applicable Law that rank in priority as at the Closing Date to the Encumbrances created by or resulting from the Clairvest Security Documents, including, but not limited to: (i) any applicable Encumbrances in favour of mechanics, labourers, workmen, builders, contractors, suppliers of goods or services, or other similar Encumbrances incidental to construction, maintenance or repair operations; and (ii) any applicable purchase money security interests under applicable personal property security legislation.
2. Other than for any restrictions in respect of the Transaction, any transfer restrictions on the TA Holdings Shares or the TA Shares.

- 2 -

Schedule 1.1(ww)
Sale Procedure Order

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	WEEKDAY, THE #
)	
JUSTICE	)	DAY OF MONTH, 2018

IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF DISCOVERY AIR INC.

APPLICANT

SSP APPROVAL ORDER

THIS MOTION, made by Discovery Air Inc. (the “**Applicant**”), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) for an order, *inter alia*, approving a sale and solicitation process and certain related relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicant, the affidavit of ■ sworn ■, 2018, and the Exhibits thereto (the “**■ Affidavit**”), the First Report of KSV Kofman Inc., in its capacity as Monitor (the “**Monitor**”) dated ■, 2018, filed, and on hearing the submissions of counsel for the Applicant, the Monitor and [**Clairvest Group Inc.**], no one else appearing although duly served as appears from the Affidavit of Service of ■ sworn ■, 2018, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meaning ascribed to them under the sale and solicitation process attached hereto as Schedule “■” (the “SSP”).

APPROVAL OF STALKING HORSE AGREEMENTS

3. **THIS COURT ORDERS** that the execution, delivery, entry into, compliance with, and performance by the Applicant of each of the Top Aces Stalking Horse Agreement, GSH Stalking Horse Agreement, ATL Stalking Horse Agreement and DMS Stalking Horse Agreement (each, as defined in the ■ Affidavit, and, collectively the “**Stalking Horse Agreements**”), be and is hereby ratified, authorized and approved, *provided, however*, that nothing contained in this Order approves the sale or the vesting of any property, assets or undertaking of the Applicant to either of the Stalking Horse Bidders pursuant to any of the Stalking Horse Agreements and that, if any or all of the Stalking Horse Agreements are the Accepted Bid under the SSP, the approval of the sale and vesting of the assets contemplated to be sold thereunder to the applicable Stalking Horse Bidder shall be considered by this Court on a subsequent motion or motions made to this Court following completion of the SSP, all in accordance with the terms of the SSP.
4. **THIS COURT ORDERS** that the Stalking Horse Agreements be and are hereby approved and accepted solely for the purposes of constituting stalking horse bids under the SSP.
5. **THIS COURT DECLARES** that the Stalking Horse Bidders are parties to these proceedings.
6. **THIS COURT ORDERS** that the Stalking Horse Agreements shall not be rendered invalid or unenforceable and the rights and remedies of the Stalking Horse Bidders thereunder shall not otherwise be limited or impaired in any way by: (a) the Applicant’s CCAA proceedings and the declarations of insolvency made in connection therewith; (b) any application(s) for bankruptcy order(s) issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”),

or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of security interests, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) the execution, delivery or performance of the Stalking Horse Agreements shall not create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party; and
- (b) the Stalking Horse Bidders shall not have any liability to any person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicant entering into the Stalking Horse Agreements.

APPROVAL OF SSP

7. **THIS COURT ORDERS** that the SSP (subject to such non-material amendments as may be agreed to by the Monitor and the Stalking Horse Bidders (including all schedules thereto)) be and is hereby approved and the Monitor, the Applicant and the Non-Applicant Subsidiaries (as defined in the Initial Order) are hereby authorized and directed to take such steps as they deem necessary or advisable (subject to the terms of the SSP) to carry out the SSP, subject to prior approval of this Court being obtained before completion of any transaction(s) under the SSP.

8. **THIS COURT ORDERS** that the Monitor, the Applicant, the Non-Applicant Subsidiaries and their respective affiliates, partners, directors, employees, advisors, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liability of any nature or kind to any person in connection with or as a result of performing their duties under the SSP, except to the extent of such losses, claims, damages or liabilities resulting from the gross negligence or wilful misconduct of the Monitor, the Applicant, or the Non-Applicant Subsidiaries, as applicable, as determined by the Court.

9. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Monitor, the Applicant and the Non-Applicant Subsidiaries (under the direction of the Monitor) are hereby authorized and permitted to disclose and transfer to each potential bidder (the “**Bidders**”) (including, without limitation, the Stalking Horse Bidders) and to their Representatives, if requested by such Bidders, personal information of identifiable individuals, including, without limitation, all human resources and payroll information in the Companies’ records pertaining to the Companies’ past and current employees, but only to the extent desirable or required to negotiate or attempt to complete a sale of the shares and assets contemplated by the Stalking Horse Agreements (a “**Sale**”). Each Bidder or Representative 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 for the purpose of effecting a Sale, and if it does not complete a Sale, shall return all such information to the Monitor, or in the alternative destroy all such information and provide confirmation of its destruction if requested by the Monitor. The Successful Bidder(s) shall maintain and protect the privacy of such information and, upon closing of the transaction contemplated in the Accepted Bid(s), shall be entitled to use the personal information provided to it that is related to the Property acquired pursuant to the SSP in a manner that is in all material respects identical to the prior use of such information by the relevant Company or Companies, and shall return all other personal information to the Monitor, or ensure that all other personal information is destroyed and provide confirmation of its destruction if requested by the Monitor.

GENERAL

10. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, or any other jurisdiction, to give effect to this Order and to assist the Applicant, the Monitor 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 orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

11. **THIS COURT ORDERS** that each of the Applicant and the Monitor 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 Monitor 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.

12. **THIS COURT ORDERS** that at any time during the SSP, the Monitor, the Applicant or any Stalking Horse Bidder may apply to the Court for directions with respect to the SSP.

SCHEDULE “A”

SALE SOLICITATION PROCESS

Introduction

On March [21], 2018, Discovery Air Inc. (the “**Debtor**”) commenced a proceeding (the “**CCAA Proceeding**”) under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) before the Ontario Superior Court of Justice (Commercial List) (the “**Court**”). Pursuant to the initial order issued by the Court in the CCAA Proceeding (the “**Initial Order**”), KSV Kofman Inc. was appointed as monitor (the “**Monitor**”) in the CCAA Proceeding.

The following Schedules are incorporated into this SSP: (a) Schedule “A” – References and Definitions; (b) Schedule “B” – Form of Acknowledgment of Sale Solicitation Process; (c) Schedule “C” – Addresses for Notice; and (d) Schedule “D” – Auction Procedures.

On ■, 2018, the Debtor brought a motion (the “**SSP Motion**”) before the Court, for, among other things, an order (the “**SSP Order**”) approving:

- (a) the Top Aces Stalking Horse Agreement pursuant to which the Top Aces Stalking Horse Bidder has agreed to: (i) purchase: (A) the Holdco Shares; (B) certain assets owned by the Debtor and used in the Top Aces business and/or shared between the Top Aces business and the businesses of GSH, ATL and DMS (together with the Holdco Shares, the “**Top Aces Property**”); and (C) intercompany debt owing by Top Aces to the Debtor, if any and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness, if any;
- (b) the following Stalking Horse Agreements between the Debtor and the Northern Stalking Horse Bidder:
 - (i) the GSH Stalking Horse Agreement pursuant to which the Northern Stalking Horse Bidder has agreed to: (i) purchase: (A) the GSH Shares; (B) certain assets owned by the Debtor and used in the GSH business as more particularly described in the GSH Stalking Horse Agreement (together with the GSH Shares, the “**GSH Property**”) (C) certain intercompany debt owing by GSH to the Debtor (the “**GSH Intercompany Debt**”); and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness of the Debtor;
 - (ii) the ATL Stalking Horse Agreement pursuant to which the Northern Stalking Horse Bidder has agreed to: (i) purchase: (A) the ATL Shares; (B) certain assets owned by the Debtor and used in the ATL business as more particularly described in the ATL Stalking Horse Agreement (together with the ATL Shares, the “**ATL Property**”) (the “**ATL Intercompany Debt**”); and (C) certain intercompany debt owing by ATL to the Debtor; and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness owing by the Debtor;
 - (iii) the DMS Stalking Horse Agreement pursuant to which the Northern Stalking Horse Bidder has agreed to: (i) purchase: (A) the DMS Shares;

(B) certain assets owned by the Debtor and used in the DMS business as more particularly described in the DMS Stalking Horse Agreement (together with the DMS Shares, the “**DMS Property**”); and (C) certain intercompany debt owing by DMS to the Debtor, if any; and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness owing by the Debtor; and

(c) this SSP.

On ■, 2018, the Court granted the SSP Order. The Monitor will conduct the SSP in accordance with the SSP Order.

Under the SSP, all qualified interested parties will be provided with an opportunity to participate in the SSP on the terms set out herein.

Commencement of the SSP and Identifying Bidders

1. The purpose of the SSP is to conduct certain processes to provide interested parties with opportunities to submit competing offers on an “as is, where is” basis to purchase: (a) the Top Aces Property; (b) the GSH Property, the GSH Intercompany Debt or all or substantially all of the assets of GSH; (c) the ATL Property, the ATL Intercompany Debt or all or substantially all of the assets of ATL; and (d) the DMS Property or all or substantially all of the assets of DMS (each, an “**Opportunity**”). The SSP shall apply to each of the Opportunities and the related processes and transactions, including without limitation, the Top Aces Transaction, GSH Transaction, ATL Transaction and DMS Transaction.
2. Any sales pursuant to this SSP will be without surviving representations or warranties of any kind, nature, or description by the Monitor, the Companies or any of their respective directors, officers, agents, advisors or other representatives unless otherwise agreed in a definitive agreement.
3. All of the Debtor’s right, title and interest in and to any of the Property or other assets to be sold pursuant to any Transactions will be sold free and clear of the pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein and thereon as set out in the Court order approving such sale unless specifically permitted to continue pursuant to the terms of the Accepted Bid.

Timeline

4. The following table sets out the key milestones and deadlines under the SSP:

Milestone	Deadline (Top Aces SSP)	Deadline (GSH SSP)	Deadline (ATL SSP)	Deadline (DMS SSP)
Commencement SSP	April 4, 2018	April 4, 2018	April 4, 2018	April 4, 2018
Bid Deadline	May 21, 2018	June 4, 2018	June 4, 2018	June 4, 2018

Auction	May 31, 2018	June 14, 2018	June 14, 2018	June 14, 2018
Closing Date Deadline	July 31, 2018	July 31, 2018	July 31, 2018	July 31, 2018

Solicitation of Interest: Notice of the SSP

5. The Debtor will issue a press release providing notice of the SSP and any such other relevant information as the Debtor and Monitor consider appropriate (a “**Notice**”) with Canada Newswire for designated dissemination in Canada and major financial centres in the United States.
6. The Monitor shall be entitled, but not obligated, to arrange for a Notice to be published in *The Globe and Mail* (National Edition), and any other newspaper or industry journals as the Monitor considers appropriate, if any, if it believes that such advertisement would be useful in the circumstances.
7. The Monitor has prepared:
 - (a) a list of potential financial bidders who may be interested in a Top Aces Transaction and a list of potential financial and strategic bidders who may be interested in any or all of the Northern Transactions (collectively, “**Potential Bidders**”);
 - (b) Teaser Letters describing the Opportunities, outlining the processes under the Top Aces SSP and Northern SSP, respectively, and inviting recipients of the Teaser Letters to express their interest pursuant to the applicable SSP or SSPs;
 - (c) a form of NDA; and
 - (d) two CIMs describing the Opportunities, which will be made available by the Monitor to Bidders (as defined below).
8. The Monitor has established Data Rooms in respect of the various SSPs which Data Rooms may continue to be updated from time to time during the SSP process.
9. The Monitor may consult with, or seek the assistance or cooperation of, the Companies with respect to the activities described in paragraphs 6, 6 and 8 above.
10. The Monitor will send the applicable Teaser Letter(s) and applicable form or forms of NDA to all applicable Potential Bidders as soon as reasonably practicable after the granting of the SSP Order and to any other party who requests a copy of a Teaser Letter and NDA or who is identified by the Debtor or the Monitor as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.

Delivery of CIMs

11. Any party who wishes to participate in one or more of the SSPs (an “**Interested Party**”) including any Potential Bidder, must provide to the Monitor:

- (a) a NDA executed by it, and a letter setting forth the identity of the Interested Party, the contact information for such Interested Party and full disclosure of the direct and indirect principals of the Interested Party;
 - (b) an acknowledgment of the applicable SSP or SSPs in which the Interested Party wishes to participate, in the form attached hereto as Schedule “B”; and
 - (c) such form of financial disclosure and credit quality support or enhancement that allows the Monitor to make a reasonable determination as to the Interested Party’s financial and other capabilities to consummate a Sale Proposal.
12. If it is determined by the Monitor, in its reasonable business judgment, that an Interested Party: (i) has delivered the documents contemplated in paragraph 11 above; and (ii) has the financial capability based on the availability of financing, experience and other considerations, to be able to consummate a sale pursuant to the SSP or SSPs in which the Interested Party is interested, then such Interested Party will be deemed to be a “**Bidder**”. For greater certainty, the Monitor may, in its reasonable business judgment, determine that an Interested Party may be deemed a Bidder in one SSP but not another.
13. The Monitor will provide each Bidder with a copy of the applicable CIM(s) and access to any corresponding Data Rooms. Bidders and Qualified Bidders (as defined in paragraph 24 below) must rely solely on their own independent review, investigation and/or inspection of all information and of the Property in connection with their participation in any of the SSPs and any transaction they enter into with the Debtor. The Companies, the Monitor and their respective directors, officers, agents and advisors make no representation or warranty as to the information (i) contained in any of the CIMs or the Data Rooms; (ii) provided through the due diligence process or otherwise made available pursuant to any of the SSPs; or (iii) otherwise made available to a Potential Bidder, Interested Party, Bidder or Qualified Bidder, except to the extent expressly contemplated in any definitive sale with the Successful Bidder (as defined below) duly executed and delivered by the Debtor and approved by the Court.
14. At any time during the SSP, the Monitor may, in its reasonable business judgment, eliminate a Bidder from any of the SSPs, in which case such party will no longer be a Bidder for the purposes of such SSP, provided however, this provision does not apply to either of the Stalking Horse Bidders. For greater certainty, the Monitor may, in its reasonable business judgment, eliminate a Bidder participating in multiple SSPs from one but not other SSPs.
15. None of the Companies nor any of its affiliates, shall meet or communicate with a Potential Bidder, Interested Party, Bidder or Qualified Bidder, including the Stalking Horse Bidders, in respect of the Stalking Horse Bids, regarding any Transaction or Opportunity without (a) informing the Monitor and (b) allowing the Monitor the right and opportunity to participate in such meeting, management presentation or communication. In the event a disagreement arises between the Debtor and the Monitor with respect to any matters related directly or indirectly to this SSP, the Monitor, unless otherwise ordered by the Court, shall have the sole authority to make a final decision with respect to such matters.

16. Representatives of the Debtor shall not communicate the identities of any Interested Parties or information in respect of any bids or transaction documents to representatives of either of the Stalking Horse Bidders, whether in that capacity or any other capacity unless and until the identity of the Qualified Bidders are exchanged with all other Qualified Bidders at Auction. For greater certainty, the foregoing provision is not intended to prevent or restrict the Companies from meeting or communicating with either of the Stalking Horse Bidders or any party related thereto regarding matters that do not relate to the SSP.
17. The Monitor, with the Debtor's assistance, shall afford each Bidder such access to applicable due diligence materials and information pertaining to the applicable SSP or SSPs as the Monitor deems appropriate in its reasonable business judgment. Due diligence access may include management presentations, access to the Data Room(s), on-site inspections, and other matters which a Bidder may reasonably request and which the Monitor deems appropriate. The Monitor will designate one or more representatives to coordinate all reasonable requests for additional information and due diligence access from each Bidder and the manner in which such requests must be communicated. Neither the Debtor nor the Monitor will be obligated to furnish any information relating to the Property to any person other than to Bidders. For the avoidance of doubt, selected due diligence materials may be withheld from certain Bidders if the Monitor determines such information to represent proprietary or sensitive competitive information.

Formal Offers and Determination of Qualified Bids

18. Bidders will be able to refer to template Purchase Agreements (which will be based on the Stalking Horse Agreements) placed in the Data Rooms.
19. Bidders that wish to make a formal offer within one or more of the SSPs (a "**Sale Proposal**") must submit offers to the Monitor so as to be received by the Monitor not later than 5:00 PM (Toronto Time) on **[June 4]**, 2018, (the "**Bid Deadline**"). All offers in respect of the applicable Property must be in the form of a duly authorized and executed Purchase Agreement with any changes disclosed in a comparison against the template Purchase Agreement, if applicable, (a "**Final Bid**") at each of the addresses specified in Schedule "C" hereto and may be submitted by email and/or hard copy delivery. Bidders who wish to submit a Sale Proposal for the assets of any or all of GSH, ATL and/or DMS may submit any such Sale Proposal in a separate form of asset purchase agreement reflecting terms consistent with an insolvency transaction, including without surviving representations and warranties. For greater certainty, Bidders must submit a separate Purchase Agreement or asset purchase agreement for each SSP in which the Bidder is making a Sale Proposal.
20. The Monitor, in consultation with the Debtor, may modify the Bid Deadline with respect to some or all of the SSPs. Any such modification shall be communicated to all Bidders for the applicable SSP in writing and posted on the Monitor's Website.
21. In order to be considered a Final Bid, a Sale Proposal shall include the following terms (collectively, the "**Final Bid Criteria**"):

- (a) Subject to subsection (b) below, that the bid is binding and irrevocable until the earlier of (i) 30 days after the Bid Deadline and (ii) approval by the Court of the Accepted Bid (the “**Bid Termination Date**”);
- (b) include an acknowledgement that if such Final Bid is selected by the Monitor as the Backup Bid at the Auction, such Final Bid shall remain binding, irrevocable and open for acceptance by the Debtor until the closing of the transaction with the Successful Bidder;
- (c) include a refundable cash deposit in the form of a wire transfer (to a bank account specified by the Monitor) or such other form of deposit as is acceptable to the Monitor, payable to the Monitor, in trust, in an amount equal to 15% (the “**Deposit**”) of the purchase price contemplated by the Bidder’s Final Bid;
- (d) provide contact information (including an email address) for the Bidder and disclose the identity of each entity (including its ultimate shareholders and/or sponsors) that will be bidding for the Property or otherwise participating in a Final Bid and the complete terms of any such participation;
- (e) include written evidence of a firm, irrevocable commitment for financing or other evidence of an ability to consummate the proposed transaction or transactions comprising the Final Bid, that will allow the Monitor to make a determination as to the Bidder’s financial and other capabilities to consummate the proposed transaction;
- (f) include acknowledgments and representations of the Bidder that: (i) it has had an opportunity to conduct any and all due diligence regarding the Property, the Debtor or otherwise prior to making its bid; (ii) it has relied solely upon its own independent review, investigation and/or inspection of the Property (including, without limitation, any documents in connection therewith) in making its bid; and (iii) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Property or the Debtor or the completeness of any information provided in connection therewith, except as expressly stated in the definitive transaction agreement(s) signed by the Debtor and approved by the Court;
- (g) include written evidence, in form and substance reasonably satisfactory to the Monitor, of authorization and approval from the Bidder’s board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the transaction contemplated by the bid;
- (h) provides value to the creditors and other stakeholders of the Debtor (having regard to the relative priority of creditor claims) that is equal to or greater than the value of the applicable Stalking Horse Agreement;
- (i) details of any liabilities to be assumed by the Bidder;
- (j) not be subject to further due diligence;

- (k) not be subject to financing;
 - (l) include a description of any regulatory or other third-party approvals required for the Bidder to consummate the sale transaction, and the time period within which the Bidder expects to receive such regulatory and/or third-party approvals, and those actions the Bidder will take to ensure receipt of such approvals as promptly as possible;
 - (m) include a description of any desired arrangements with respect to transition services that may be required from any of the Companies in connection with the sale transaction;
 - (n) not be subject to any conditions precedent except those that are customary in a transaction of this nature;
 - (o) not be conditional upon approval by the Court of any bid protection, such as a break-up fee, termination fee, expense reimbursement or similar type of payment;
 - (p) be received by the Bid Deadline; and
 - (q) contemplate closing the transaction set out therein on or before **[July 31]**, 2018 (the “**Closing Date Deadline**”).
22. Following the Bid Deadline, the Monitor will determine if each Sale Proposal delivered to the Monitor meets the Final Bid Criteria, provided that each Sale Proposal may be negotiated among the Monitor and the applicable Bidder and may be amended, modified or varied to improve such Sale Proposal as a result of such negotiations. The Monitor shall be under no obligation to negotiate identical terms with, or extend identical terms to, each Bidder.
23. On notice to parties in the CCAA Proceeding, the Monitor may seek Court approval of an amendment to the SSP or any one of them that it considers material. For greater certainty, the extension of any deadline by up to two weeks shall not be considered material.
24. If a Sale Proposal meets the Final Bid Criteria, such Final Bid will be deemed to be a “**Qualified Bid**” and the Bidder in respect of each such Qualified Bid shall be a “**Qualified Bidder**” in respect of the applicable SSP. The Monitor may waive strict compliance with any one or more of the Final Bid Criteria and deem such non-compliant Sale Proposal to be a Qualified Bid, provided that doing so shall not constitute a waiver by the Monitor of the Final Bid Criteria or an obligation on the part of the Monitor to designate any other Sale Proposal as a Qualified Bid.

Selection of Successful Bidders

25. On or before June 11, 2018, or at such later time as the Monitor may deem appropriate, the Monitor will advise each Bidder if its Sale Proposal is a Qualified Bid (the “**Notification Date**”) with respect to the applicable SSP.

26. If one or more Qualified Bids for a particular SSP is received by the Bid Deadline (as such deadline may be extended by the Monitor as set out herein), all Qualified Bidders for such SSP shall proceed to an Auction with the applicable Stalking Horse Bidder, to be held on June 14, 2018, which shall proceed according to the Auction Procedures to identify the Successful Bidder. For greater certainty, each Stalking Horse Bidder is, and is deemed to be, a Qualified Bidder in respect of the applicable SSP and each Stalking Horse Agreement is, and is deemed to be, a Qualified Bid for all purposes in connection with the applicable SSP. The Monitor, in consultation with the Debtor, may postpone or delay the commencement of an Auction with respect to either or both of the SSPs. Any such postponement or delay shall be posted at the Auction Location, communicated to all applicable Qualified Bidders for the applicable SSP in writing and posted on the Monitor's Website.
27. If no Qualified Bid for a SSP other than the Stalking Horse Purchase Agreement is received by the Bid Deadline (as the same may be extended by the Monitor as set out herein), an Auction for such SSP will not be held and that Stalking Horse Bidder will be declared to be the Successful Bidder with respect to the applicable Transaction. The "**Accepted Bid**" for a SSP will be either (i) the applicable Stalking Horse Bid if no Qualified Bid for such SSP is received by the Bid Deadline or so designated by the Monitor; or (ii) in the event of an Auction, the highest and best bid as determined by the Monitor at the Auction. The party that submitted the Accepted Bid for a SSP is referred to herein as the "**Successful Bidder**" with respect to such SSP.
28. If, upon the conclusion of an Auction, the Stalking Horse Bidder is not the Successful Bidder, the Successful Bidder's transaction shall be considered to be a superior transaction (a "**Superior Transaction**").
29. Within seven (7) Business Days of the selection of an Accepted Bid for a Transaction (or as soon as reasonably possible thereafter), the Debtor shall file an Approval Motion. All of the Qualified Bids for that Transaction and SSP other than the applicable Accepted Bid, the Backup Bid and the Stalking Horse Bid, shall be deemed rejected by the Monitor on and as of the date of approval of the applicable Accepted Bid by the Court.
30. All Deposits will be retained by the Monitor in trust. The Monitor shall deposit all Deposits with interest bearing accounts. Any Deposit held by the Monitor with respect to the Accepted Bid (plus accrued interest, if any) will be non-refundable (other than as may be provided for in the Purchase Agreement that constitutes the Accepted Bid) and will be applied to the purchase price to be paid by the Successful Bidder upon closing of the transaction under the Accepted Bid. The Deposits (plus applicable interest, if any) of Bidders not selected as Qualified Bidders will be returned to such Bidders within three (3) Business Days of the Notification Date. The Deposits (plus applicable interest, if any) of Qualified Bidders (other than the Backup Bidder) not selected as the Successful Bidder will be returned to such parties within three (3) Business Days of the Bid Termination Date.
31. If the Successful Bidder for any Transaction fails to close the transaction contemplated by the Accepted Bid by the earlier to occur of the applicable Closing Date Deadline and the closing date under the Accepted Bid (or such date that may otherwise be mutually agreed

upon among the Debtor, the Monitor and the Successful Bidder), the Monitor shall be authorized but not required to: (a) direct the Debtor to exercise such rights and remedies as are available to the Debtor under the Accepted Bid including, if applicable, deeming that the Successful Bidder has breached its obligations pursuant to the Accepted Bid and that the Successful Bidder has forfeited its Deposit to the Debtor; (b) designate the Backup Bidder as the Successful Bidder and direct the Debtor to close the transaction under the Backup Bid; or (c) take such other steps as it deems advisable. The Debtor reserves its right to seek all available damages, including specific performance, from any defaulting Successful Bidder (including any Backup Bidder designated as a Successful Bidder).

Confidentiality and Access to Information

32. Each Potential Bidder, Interested Party, Bidder or Qualified Bidder (including the Stalking Horse Bidder) shall not be permitted to receive any information that is not made generally available to all participants relating to the number or identity of Potential Bidders, Bidders, Qualified Bidders, Qualified Bids, the details of any bids submitted or the details or existence of any confidential discussions or correspondence among the Debtor, the Monitor and any Bidder in connection with any SSP in which such parties are participating.
33. In addition, the Monitor may consult with any other parties with a material interest in the CCAA Proceeding regarding the status and material information and developments relating to any or all of the SSPs to the extent considered appropriate by the Monitor and taking into account, among other things, whether any particular party is a Bidder, Qualified Bidder, or other participant or prospective participant in one or more of the SSPs; provided that such parties may be required to enter into confidentiality arrangements satisfactory to the Monitor. For greater certainty, Clairvest shall not be entitled to any information regarding the status of the SSP unless such information is provided to all Qualified Bidders in the process.

Supervision of the SSP

34. The Monitor will oversee, in all respects, the conduct of the SSP and, without limitation, the Monitor will participate in the SSP in the manner set out herein and in the SSP Order. All discussions or inquiries to the Debtors regarding the SSP shall be directed to the Monitor. Under no circumstances should representatives of the Companies be contacted directly or indirectly in respect of the SSP, including diligence requests, without the prior written consent of the Monitor. Any such unauthorized contact or communication could result in exclusion from any or all of the SSP processes. For greater certainty, the foregoing provision is not intended to prevent or restrict the Debtor or its affiliates and representatives from meeting or communicating with any Stalking Horse Bidder, in a capacity other than as a Stalking Horse Bidder, or any party related thereto regarding matters that do not relate to the SSP.
35. Other than as specifically set forth in the Stalking Horse Agreements or in a definitive agreement between the Companies and the Successful Bidder under a Superior Transaction, the SSP does not, and will not be interpreted to create any contractual or other

legal relationship among the Debtor, the Monitor, any Potential Bidder, Interested Party, Bidder, Qualified Bidder, the Successful Bidder, or any other party.

36. Subject to the terms of the Initial Order and any entitlement of the Stalking Horse Bidder to a Stalking Horse Expense Reimbursement, participants in the SSP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any Final Bid, participation in the SSP, Auction, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a transaction.

SCHEDULE “A”- REFERENCES AND DEFINITIONS

In this document, unless the context otherwise required, words importing the singular include the plural and vice versa. Capitalized terms used herein and not otherwise defined shall have the meaning given to them in the Initial Order. Except where otherwise expressly provided, all dollar reference amounts are to Canadian dollars.

The terms below shall have the following meaning given to them:

- (a) “**Accepted Bid**” has the meaning given to it in paragraph 27;
- (b) “**Air Tindi Transaction**” means the transaction contemplated by the ATL Stalking Horse Agreement or any other transaction under the ATL Stalking Horse Agreement or any improved bid pursuant to the process set out herein;
- (c) “**Approval Motion**” the Debtor’s motion or motions to be filed with the Court seeking one or more orders to approve the Accepted Bids;
- (d) “**ATL**” means Air Tindi Ltd.;
- (e) “**ATL Property**” has the meaning given to it in the Introduction;
- (f) “**ATL Shares**” means 1870 issued and outstanding Class A common shares in the capital of ATL, being 100% of the issued and outstanding shares of ATL;
- (g) “**ATL SSP**” the sale and solicitation process to solicit bids for the ATL Property as set out herein;
- (h) “**ATL Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Northern Stalking Horse Bidder dated as of ■, 2018 as the same may be amended, modified, improved or changed pursuant to the terms of this SSP for the purchase and sale of the ATL Property;
- (i) “**Auction**” means an auction conducted pursuant to this SSP pursuant to the Auction Procedures;
- (j) “**Auction Location**” has the meaning given to it in paragraph 1 of the Auction Procedures;
- (k) “**Auction Procedures**” mean the auction procedures set out in Schedule “D” hereto;
- (l) “**Backup Bid**” has the meaning given to it in paragraph 13 of the Auction Procedures;

- (m) “**Backup Bidder**” has the meaning given to it in paragraph 13 of the Auction Procedures;
- (n) “**Bid Deadline**” has the meaning given to it in paragraph 19;
- (o) “**Bid Termination Date**” has the meaning given to it in paragraph 21(a);
- (p) “**Bidder**” has the meaning given to it in paragraph 12;
- (q) “**Business Day**” means any day, other than Saturday or Sunday, on which the principal commercial banks in Toronto are open for commercial banking business during normal banking hours;
- (r) “**CCAA**” has the meaning given to it in the Introduction;
- (s) “**CCAA Proceeding**” has the meaning given to it in the Introduction;
- (t) “**Closing Date Deadline**” has the meaning given to it in paragraph 21(q);
- (u) “**CIM**” means a confidential information memorandum to be prepared by the Monitor in connection with a SSP;
- (v) “**Companies**” means the Debtor, Top Aces, Top Aces Holdco, GSH, ATL and DMS;
- (w) “**Court**” has the meaning given to it in the Introduction;
- (x) “**Credit Bid**” means a bid that provides for all or part of the consideration to be paid to be satisfied by way of a credit bid of secured indebtedness of the Debtor;
- (y) “**Data Rooms**” the electronic data rooms to be established by the Monitor in connection with the SSP;
- (z) “**Deposit**” has the meaning given to it in paragraph 21(c);
- (aa) “**Debtor**” has the meaning given to it in the Introduction;
- (bb) “**Discovery Mining Transaction**” means the transaction contemplated by the DMS Stalking Horse Agreement or any other transaction under the DMS Stalking Horse Agreement or any improved bid pursuant to the process set out herein;
- (cc) “**DMS**” means Discovery Mining Services Ltd.
- (dd) “**DMS Property**” has the meaning given to it in the Introduction;

- (ee) “**DMS Shares**” means 22,883,047 issued and outstanding Class A common shares in the capital of DMS, being 100% of the issued and outstanding shares of DMS;
- (ff) “**DMS SSP**” the sale and solicitation process to solicit bids for the DMS Property as set out herein;
- (gg) “**DMS Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Northern Stalking Horse Bidder dated as of ■, 2018 as the same may be amended, modified, improved or changed pursuant to the terms of this SSP for the purchase and sale of the DMS Property
- (hh) “**Final Bid**” has the meaning given to it in paragraph 19;
- (ii) “**Final Bid Criteria**” has the meaning given to it in paragraph 20;
- (jj) “**Great Slave Transaction**” means the transaction contemplated by the GSH Stalking Horse Agreement or any other transaction under the GSH Stalking Horse Agreement or any improved bid pursuant to the process set out herein;
- (kk) “**GSH**” means Great Slave Helicopters Ltd.;
- (ll) “**GSH Property**” has the meaning given to it in the Introduction;
- (mm) “**GSH Shares**” means (i) 157,891,795 issued and outstanding Class A common shares; (ii) 1,111 issued and outstanding Class D common shares; (iii) 40,000,000 issued and outstanding Class E common shares; (iv) 7,624 issued and outstanding Class F Preferred shares; (v) 11,072 issued and outstanding Class G Preferred shares; and (vi) 14,400 issued and outstanding Class H Preferred shares issued and outstanding common shares in the capital of GSH, being 100% of the issued and outstanding shares of GSH;
- (nn) “**GSH SSP**” the sale and solicitation process to solicit bids for the GSH Property as set out herein;
- (oo) “**GSH Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Northern Stalking Horse Bidder dated as of ■, 2018 as the same may be amended, modified, improved or changed pursuant to the terms of this SSP for the purchase and sale of the GSH Property;
- (pp) “**Holdco Shares**” means 253.83602 issued and outstanding Class A common shares in the capital of Top Aces Holdco being 100% of the shares of Top Aces Holdco owned by the Debtor;
- (qq) “**Initial Order**” has the meaning given to it in the Introduction;
- (rr) “**Interested Party**” has the meaning given to it in paragraph 11;

- (ss) “**Potential Bidders**” has the meaning given to it in paragraph 6;
- (tt) “**Leading Bid**” has the meaning given to it in paragraph 11 of the Auction Procedures;
- (uu) “**Monitor**” has the meaning given to it in the Introduction;
- (vv) “**Monitor’s Website**” means the Monitor’s website at www.ksvadvisory.com/insolvency-cases/discovery-air;
- (ww) “**NDA**” one or more forms of non-disclosure agreement to be used in connection with the solicitation of bids in this SSP;
- (xx) “**Northern SSP**” means collectively the GSH SSP, ATL SSP and DMS SSP;
- (yy) “**Northern Transactions**” means the Great Slave Transaction, Air Tindi Transaction and Discovery Mining Transaction;
- (zz) “**Northern Stalking Horse Bidder**” means 10671541 Canada Inc.;
- (aaa) “**Northern Stalking Horse Agreements**” means the GSH Stalking Horse Agreement, ATL Stalking Horse Agreement and DMS Stalking Horse Agreement;
- (bbb) “**Notice**” has the meaning given to it in paragraph 6;
- (ccc) “**Notification Date**” has the meaning given to it in paragraph 25;
- (ddd) “**Opportunity**” has the meaning given to it in paragraph 1;
- (eee) “**Overbid**” has the meaning given to it in paragraph 9 of the Auction Procedures;
- (fff) “**Property**” means the Top Aces Property, GSH Property, ATL Property and/or the DMS Property as the context may require;
- (ggg) “**Purchase Agreements**” means the template forms of purchase agreements to be placed in the Data Rooms upon which Bidders are to make Sale Proposals;
- (hhh) “**Qualified Bid**” has the meaning given to it in paragraph 24;
- (iii) “**Qualified Bidder**” has the meaning given to it in paragraph 24;
- (jjj) “**Sale Proposal**” has the meaning given to it in paragraph 19;
- (kkk) “**SSP**” means this sale and solicitation process document and the processes set out herein including without limitation the Top Aces SSP, GSH SSP, ATL SSP or DMS SSP or any one of them as the context may require;

- (lll) “**SSP Motion**” has the meaning given to it in the Introduction;
- (mmm) “**SSP Order**” has the meaning given to it in the Introduction;
- (nnn) “**Stalking Horse Agreements**” means the Top Aces Stalking Horse Agreement and the Northern Stalking Horse Agreement;
- (ooo) “**Stalking Horse Bidder**” means the Top Aces Stalking Horse Bidder and the Northern Stalking Horse Bidder;
- (ppp) “**Starting Bid**” has the meaning given to it in paragraph 7 of the Auction Procedures;
- (qqq) “**Subsequent Bid**” has the meaning given to it in paragraph 4 of the Auction Procedures;
- (rrr) “**Successful Bidder**” has the meaning given to it in paragraph 27;
- (sss) “**Superior Transaction**” has the meaning given to it in paragraph 28;
- (ttt) “**Teaser Letter**” means the process summary letters to be prepared by the Monitor in connection with the SSP;
- (uuu) “**Top Aces**” means Top Aces Inc. (formerly known as Discovery Air Defence Services Inc.);
- (vvv) “**Top Aces Holdco**” means Top Aces Holdings Inc.;
- (www) “**Top Aces Property**” has the meaning given to it in the Introduction;
- (xxx) “**Top Aces SSP**” the sale and solicitation process to solicit bids for the Top Aces Property as set out herein;
- (yyy) “**Top Aces Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Top Aces Stalking Horse Bidder dated as of ■, 2018 as the same may be amended, modified, improved or changed pursuant to the terms of this SSP for the purchase and sale of the Top Aces Property;
- (zzz) “**Top Aces Stalking Horse Bidder**” means, collectively, CEP IV Co-Investment Limited Partnership, Clairvest Equity Partners IV Limited Partnership, Clairvest Equity Partnership IV-A Limited Partnership, DA Holdings Limited Partnership and G. John Krediet;
- (aaaa) “**Top Aces Transaction**” means the transaction contemplated by the Top Aces Stalking Horse Agreement or any other transaction under the Top Aces Stalking Horse Agreement or any improved bid pursuant to the process set out herein;

(bbb) **“Transactions”** means the Top Aces Transaction, Great Slave Transaction, Air Tindi Transaction and/or Discovery Mining Transaction.

SCHEDULE "B"

Acknowledgement of the Sale and Solicitation Process

TO: Discovery Air Inc.

AND TO: KSV Kofman Inc. in its capacity as monitor in the CCAA proceedings of Discovery Air Inc.

RE: Sale and Solicitation Process in respect of the following Transaction(s) [*check all that apply*]:

- Top Aces Transaction
 - Great Slave Transaction
 - Air Tindi Transaction
 - Discovery Mining Transaction
-

The undersigned hereby acknowledges receipt of the sale and solicitation process approved by the Order of the Honourable Justice ■ of the Ontario Superior Court of Justice (Commercial List) dated ■, 2018 (the "SSP") and that compliance with the terms and provisions of the SSP is required in order to participate in the SSP and for any Final Bid (as defined in the SSP) to be considered by the Monitor.

This ___ day of _____, 2018.

[Insert Interested Party name]

Per:

Email Address:

SCHEDULE "C" – ADDRESSES FOR NOTICES**KSV Kofman Inc.****Court-Appointed Monitor in Discovery Air Inc.'s CCAA proceedings**

150 King Street West
Suite 2308, Box 42
Toronto ON M5H 1J9

Attention: Bobby Kofman & David Sieradzki

Email: bkofman@ksvadvisory.com / dsieradzki@ksvadvisory.com

-with copies to-

Goldman Sloan Nash & Haber LLP**Lawyers for the Debtor**

1600-480 University Avenue
Toronto, ON M5G 1V2

Attention: Michael Rotsztain and Jennifer Stam

Email: rotsztain@gsnh.com / stam@gsnh.com

Goodmans LLP**Lawyers for the Monitor**

Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto ON M5H 2S7

Attention: Joe Latham

Email: jlatham@goodmans.ca

SCHEDULE “D” - AUCTION PROCEDURES

1. The Auctions for each SSP, if any, shall be conducted by the Monitor, commencing on June 14, 2018, at 10:00 a.m. (Toronto time) at the offices of Goodmans LLP, 333 Bay Street, Suite 3400, Toronto, ON, M5H 2S7 or such other location as the Monitor may choose in advance of the commencement of an Auction (the “**Auction Location**”). No later than 24 hours prior to the scheduled date of the Auction, the Monitor shall communicate any change in the Auction Location from the offices of Goodmans LLP to another location to all applicable Qualified Bidders in writing and post notice of such change in location at the offices of Goodmans LLP and on the Monitor’s Website.
2. To the extent that the Monitor is to conduct multiple Auctions, it may choose to conduct such Auctions concurrently or consecutively in its discretion. Any delay or postponement of the commencement of an Auction shall be communicated in accordance with paragraph 26 of the SSP.
3. Unless otherwise ordered by the Court or consented to in writing by the Monitor, only the authorized representatives and professional advisors of the Monitor, the Companies, the applicable Stalking Horse Bidder, and each other Qualified Bidder invited to an Auction shall be eligible to attend an Auction and make any Subsequent Bid (as defined below) at an Auction. Administrative personnel, including, without limitation, a court reporter or similar official, will also attend an Auction at the invitation of the Monitor.
4. At an Auction, all applicable Qualified Bidders (including a Stalking Horse Bidder) shall be permitted to increase their Qualified Bids in accordance with the procedures set forth herein (each, a “**Subsequent Bid**”). All Subsequent Bids presented during an Auction shall be made and received in one room on an open basis. All participating Qualified Bidders shall be entitled to be present for all bidding with the understanding that the true identity of each participating Qualified Bidder shall be fully disclosed to all other Qualified Bidders and that all material terms of each Subsequent Bid presented during an Auction will be fully disclosed to the participating Qualified Bidders throughout an entire Auction.
5. All Qualified Bidders must have at least one individual representative with authority to bind such Qualified Bidder present in person at the offices of Goodmans LLP during the Auction(s).
6. All proceedings at an Auction shall be transcribed.
7. At least two (2) days prior to an Auction, the Monitor will advise all Qualified Bidders for the applicable SSP which of the Qualified Bids (including a Stalking Horse Agreement) the Monitor has determined in its reasonable business judgment,

after consultation with its advisors and the Companies, constitutes the then highest or otherwise best Qualified Bid (the “**Starting Bid**”).

8. The Starting Bid will be deemed to be the first bid at the Auction and bidding at the Auction will continue, in one or more rounds of bidding, so long as during each round at least one Subsequent Bid is submitted by a Qualified Bidder that, in the reasonable business judgement of the Monitor improves upon the then Leading Bid and meets the Overbid requirement.
9. The first round of bidding at an Auction in respect of the following processes and transactions shall commence in the following increments:
 - (a) bidding in respect of the Top Aces Transaction shall commence in increments of \$■;
 - (b) bidding in respect of the GSH Transaction shall commence in increments of \$■
 - (c) bidding in respect of the ATL Transaction shall commence in increments of \$■; and
 - (d) bidding in respect of the DMS Transaction shall commence in increments of \$■,

(each, an “**Overbid**”). The Monitor shall be entitled to change the amount of Overbid in subsequent rounds of bidding at the Auction in its discretion.
10. Credit Bids will be permitted at an Auction, provided that the validity of such secured indebtedness has been confirmed by the Monitor prior to commencement of such Auction. Bidding shall continue until such time as the highest or best bid is determined by the Monitor, in its reasonable business judgment, after consultation with its advisors. The Monitor, in its sole discretion, shall have the right to modify the bidding increments at the commencement of any round of the Auction. For the purpose of evaluating the value of the consideration provided by each Subsequent Bid (including any Subsequent Bid by a Stalking Horse Bidder) presented at the Auction, the value will take into account the amount and priority of any Credit Bid and any liabilities to be assumed by a Qualified Bidder.
11. After the first round of bidding and between each subsequent round of bidding, the Monitor shall announce the Subsequent Bid that the Monitor has determined in its reasonable business judgment, after consultation with its advisors, to be the then highest or best bid (the “**Leading Bid**”). A round of bidding will conclude after each participating Qualified Bidder has had an opportunity to submit a Subsequent Bid with full knowledge of the Leading Bid.

12. If no Qualified Bidder submits a Subsequent Bid (as determined by the Monitor) after a period of 30 minutes following the Monitor's acceptance of a Subsequent Bid as the Leading Bid, and the Monitor chooses not to adjourn an Auction, the Leading Bid shall be the Accepted Bid, whereupon such Auction will be concluded. The Monitor shall have the right, but not the obligation, to extend the time period to submit an offer.
13. If an Auction is conducted, the Monitor shall determine, in its reasonable business judgment after consultation with its advisors, the next highest or otherwise best Qualified Bid after the Accepted Bid (the "**Backup Bid**"). The Qualified Bidder which has submitted the Backup Bid will be designated as the "**Backup Bidder**". The Backup Bidder shall be required to keep its last submitted Subsequent Bid, or if it has not made a Subsequent Bid, its Qualified Bid (the "**Backup Bid**") open and irrevocable until the closing of the transaction with the Successful Bidder.
14. At or during an Auction, the Monitor, after consultation with its advisors, may employ and announce additional procedural rules that are fair and reasonable under the circumstances (e.g., the amount of time allotted to make Subsequent Bids) for conducting such Auction; provided, however, that such rules are (a) not inconsistent with the SSP or these Auction Procedures, the CCAA, any order of the Court entered in connection with the SSP or Auction Procedures and (b) disclosed to each Qualified Bidder at or during the Auction.

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

Court File No.:

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF DISCOVERY AIR INC. (the "APPLICANT")

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

Proceeding commenced at Toronto

SSP APPROVAL ORDER

GOLDMAN SLOAN NASH & HABER LLP
480 University Avenue, Suite 1600
Toronto, Ontario M5G 1V2
Fax: 416-597-6477

Mario Forte (LSUC#: 27293F)
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Jennifer Stam (LSUC#: #46735J)
Tel: 416.597.5017
Email: stam@gsnh.com

Lawyers for the Applicant

Schedule 2.1(b)**Assigned Contracts**

1. Sage 300 ERP Silver Business Care Contract between Sage and Discovery Air Inc.
2. Baass SLA Support for Sage 300 ERP: Platinum Plan Contract between Baass Business Solutions and Discovery Air Inc.
3. Oracle Support Service for HFM suite Contract between Oracle and Discovery Air Inc.
4. AMS Plus & Enterprise Plan Contract between Aircraft Maintenance Systems and Discovery Air Inc.
5. SMS Pro Monthly Enterprise Subscription - DA Defence & GSH & ATL Contract between Northwest Data Solutions and Discovery Air Inc.
6. IBM Lotus Domino Collaboration Express Authorized User Annual Sw Subscription & Support Renewal Contract among Fused Air Inc., Discovery Air Inc. and Discovery Air Defence Services Inc.
7. IBM Lotus Notes Support/Development - Don Newman Contract among Don Newman (consultant), Discovery Air Inc. and Discovery Air Defence Services Inc.
8. IBM Lotus Notes Support/Development - Dan Mincu Contract between Dan Mincu (consultant) and Discovery Air Inc.
9. Ace Payroll Contract among Ace Payroll Services Inc., Discovery Air Inc. and Discovery Air Defence Services Inc.
10. Ceridian Powerpay Contract among Ceridian Canada Ltd. and Discovery Air Inc., et al.
11. Microsoft Licensing for 2017 Contract between SoftChoice and Discovery Air Inc.
12. Service Desk Plus (Year to year) Contract between Service Desk Plus and Discovery Air Inc.
13. Avepoint migration and management Contract between Avepoint and Discovery Air Inc.
14. Alarm system Contract
15. Dery Telecom YBG internet Contract among Dery Telecom Inc., Discovery Air Inc. and Discovery Air Defence Services Inc.
16. Bell bid oe Contract between Bell and Discovery Air Inc.
17. Conferencing system Contract

- 2 -

18. Bell hosting Contract between Bell and Discovery Air Inc.
19. Mobility Contract between Bell and Discovery Air Inc.
20. Networking EMAN ATL Contract among Northwestel, Discovery Air Inc. and Air Tindi Ltd.
21. Networking EMAN GSH Contract among Northwestel, Discovery Air Inc. and Great Slave Helicopters Ltd.
22. Bell networking Contract between Bell and Discovery Air Inc.
23. Ricoh printers Contract among Ricoh and Discovery Air Inc., et al.
24. Bell Long Distance Contract between Bell and Discovery Air Inc.
25. Bell SIP Contract between Bell and Discovery Air Inc.
26. Dayforce HCM implementation - Canada only (Master Services Agreement and change requests) Contract among Ceridian and Discovery Air Inc., et al.
27. Dayforce HCM implementation - International Employees (Germany only) Contract among Ceridian and Discovery Air Inc., et al.
28. Dayforce HCM implementation - Custom Report build for Employee HR Contract between Ceridian and Discovery Air Inc.
29. ATL Internet Contract among Northwestel, Discovery Air Inc. and Air Tindi Ltd.
30. Magor server Contract between AppHost Canada and Discovery Air Inc.
31. Master Services Agreement (Retail) Contract between Bell Canada and Discovery Air Inc.

TAB E

SALE SOLICITATION PROCESS

Introduction

On March 21, 2018, Discovery Air Inc. (the "**Debtor**") commenced a proceeding (the "**CCAA Proceeding**") under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") before the Ontario Superior Court of Justice (Commercial List) (the "**Court**"). Pursuant to the initial order issued by the Court in the CCAA Proceeding (the "**Initial Order**"), KSV Kofman Inc. was appointed as monitor (the "**Monitor**") in the CCAA Proceeding.

The following Schedules are incorporated into this SSP: (a) Schedule "A" – References and Definitions; (b) Schedule "B" – Form of Acknowledgment of Sale Solicitation Process; (c) Schedule "C" – Addresses for Notice; and (d) Schedule "D" – Auction Procedures.

On April 4, 2018, the Debtor brought a motion before the Court, for, among other things, an order (the "**SSP Order**") approving:

- (a) the Top Aces Stalking Horse Agreement pursuant to which the Top Aces Stalking Horse Bidder has agreed to: (i) purchase: (A) the Top Aces Holdco Shares; (B) certain assets owned by the Debtor and used in the Top Aces business and/or shared between the Top Aces business and the businesses of GSH, ATL and DMS; and (C) intercompany debt owing by Top Aces and/or Top Aces Holdco to the Debtor, if any (collectively, "**Top Aces Property**"); and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness, if any;
- (b) the following Stalking Horse Agreements between the Debtor and the Northern Stalking Horse Bidder:
 - (i) the GSH Stalking Horse Agreement pursuant to which the Northern Stalking Horse Bidder has agreed to: (i) purchase: (A) the GSH Shares; (B) certain assets owned by the Debtor and used in the GSH business as more particularly described in the GSH Stalking Horse Agreement; and (C) certain intercompany debt owing by GSH to the Debtor (collectively, the "**GSH Property**"); and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness of the Debtor;
 - (ii) the ATL Stalking Horse Agreement pursuant to which the Northern Stalking Horse Bidder has agreed to: (i) purchase: (A) the ATL Shares; (B) certain assets owned by the Debtor and used in the ATL business as more particularly described in the ATL Stalking Horse Agreement; and (C) certain intercompany debt owing by ATL to the Debtor (collectively, the "**ATL Property**"); and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness owing by the Debtor;
 - (iii) the DMS Stalking Horse Agreement pursuant to which the Northern Stalking Horse Bidder has agreed to: (i) purchase: (A) the DMS Shares; and (B) certain assets owned by the Debtor and used in the DMS business as more particularly described in the DMS Stalking Horse Agreement

(together with the DMS Shares, the “**DMS Property**”); and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness owing by the Debtor; and

(c) this SSP.

On April [4], 2018, the Court granted the SSP Order. The Monitor will conduct the SSP in accordance with the SSP Order and this SSP.

Under the SSP, all qualified interested parties will be provided with an opportunity to participate in the SSP on the terms set out herein.

Commencement of the SSP and Identifying Bidders

1. The purpose of the SSP is to conduct certain processes to provide interested parties with opportunities to submit competing offers on an “as is, where is” basis to purchase: (a) the Top Aces Property; (b) the GSH Property or all or substantially all of the assets of GSH; (c) the ATL Property or all or substantially all of the assets of ATL; and (d) the DMS Property or all or substantially all of the assets of DMS (each, an “**Opportunity**”). The SSP shall apply to each of the Opportunities and the related processes and transactions, including without limitation, the Top Aces Transaction, Great Slave Transaction, Air Tindi Transaction and Discovery Mining Transaction.
2. Any sales pursuant to this SSP will be without surviving representations or warranties of any kind, nature, or description by the Monitor, the Companies or any of their respective directors, officers, agents, advisors or other representatives unless otherwise agreed in a definitive agreement.
3. All of the Debtor’s right, title and interest in and to any of the Property or other assets to be sold pursuant to any Transactions will be sold free and clear of the pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein and thereon as set out in the Court order approving such sale unless specifically permitted to continue pursuant to the terms of the Accepted Bid.

Timeline

4. The following table sets out the key milestones and deadlines under the SSP, which may be extended or amended by the Monitor in its discretion by up to two weeks without Court approval:

Milestone	Deadline (Top Aces SSP)	Deadline (GSH SSP)	Deadline (ATL SSP)	Deadline (DMS SSP)
Commencement SSP	April 4, 2018	April 4, 2018	April 4, 2018	April 4, 2018
Bid Deadline	May 21, 2018	June 4, 2018	June 4, 2018	June 4, 2018
Auction	May 31, 2018	June 14, 2018	June 14, 2018	June 14, 2018

Closing Date Deadline	July 31, 2018	July 31, 2018	July 31, 2018	July 31, 2018
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Solicitation of Interest: Notice of the SSP

5. The Debtor will issue a press release providing notice of the SSP and any such other relevant information as the Debtor and Monitor consider appropriate (a “**Notice**”) with Canada Newswire for designated dissemination in Canada and such other jurisdictions as the Monitor, in consultation with the Debtor, considers appropriate.
6. The Monitor shall be entitled, but not obligated, to arrange for a Notice to be published in *The Globe and Mail* (National Edition), and any other newspaper or industry journal as the Monitor considers appropriate, if any, if it believes that such advertisement would be useful in the circumstances.
7. The Monitor, with the assistance of the Companies and their Representatives, has prepared:
 - (a) a list of potential financial bidders who may be interested in a Top Aces Transaction and a list of potential financial and strategic bidders who may be interested in any or all of the Northern Transactions (collectively, “**Potential Bidders**”);
 - (b) Teaser Letters describing the Opportunities, outlining the processes under the Top Aces SSP and Northern SSP, respectively, and inviting recipients of the Teaser Letters to express their interest pursuant to the applicable SSP;
 - (c) a form of NDA; and
 - (d) CIMs describing the Opportunities, which will be made available by the Monitor to Bidders (as defined below).
8. The Monitor, with the assistance of the Companies and their Representatives, has established Data Rooms in respect of the SSPs, which Data Rooms may continue to be updated from time to time during the SSP.
9. The Monitor and its Representatives may consult with, or seek the assistance or cooperation of, the Companies with respect to any matter relating to this SSP and the conduct thereof, including, without limitation, the activities described in paragraphs 6 to 8 above. The Companies and their Representatives shall cooperate fully with the Monitor and its Representatives and provide such assistance as is reasonably requested by the Monitor in connection with the SSP.
10. The Monitor will send the applicable Teaser Letter(s) and applicable form or forms of NDA to all applicable Potential Bidders as soon as reasonably practicable after the granting of the SSP Order and to any other party who requests a copy of a Teaser Letter and NDA or who is identified by the Debtor or the Monitor as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.

Delivery of CIMs

11. Any party who wishes to participate in one or more of the SSPs (an “**Interested Party**”), including any Potential Bidder, must provide to the Monitor:
 - (a) a NDA executed by it, and a letter setting forth the identity of the Interested Party, the contact information for such Interested Party and full disclosure of the direct and indirect principals of the Interested Party;
 - (b) an acknowledgment of the applicable SSP or SSPs in which the Interested Party wishes to participate, in the form attached hereto as Schedule “B”; and
 - (c) such form of financial disclosure and credit quality support or enhancement that allows the Monitor to make a reasonable determination as to the Interested Party’s financial and other capabilities to consummate a Sale Proposal.
12. If it is determined by the Monitor, in its reasonable business judgment, that an Interested Party: (i) has delivered the documents contemplated in paragraph 11 above; and (ii) has the financial capability based on the availability of financing, experience and other considerations, to be able to consummate a sale pursuant to the SSP or SSPs in which the Interested Party is interested, then such Interested Party will be deemed to be a “**Bidder**”. For greater certainty, the Monitor may, in its reasonable business judgment, determine that an Interested Party may be deemed a Bidder in one SSP but not another.
13. The Monitor will provide each Bidder with a copy of the applicable CIM(s) and access to any corresponding Data Rooms. Bidders and Qualified Bidders (as defined below) must rely solely on their own independent review, investigation and/or inspection of all information and of the Property in connection with their participation in any of the SSPs and any transaction they enter into with the Debtor. The Companies, the Monitor and their respective directors, officers, agents and advisors make no representation or warranty whatsoever as to the information (including, without limitation, with respect to its accuracy or completeness) (i) contained in any of the CIMs or the Data Rooms; (ii) provided through the due diligence process or otherwise made available pursuant to any of the SSPs; or (iii) otherwise made available to a Potential Bidder, Interested Party, Bidder or Qualified Bidder, except to the extent expressly contemplated in any definitive documentation duly executed and delivered by the Successful Bidder (as defined below) duly executed by the applicable Company and approved by the Court.
14. At any time during the SSP, the Monitor may, in its reasonable business judgment, eliminate a Bidder from any of the SSPs, in which case such party will no longer be a Bidder for the purposes of such SSP, provided however, this provision does not apply to either of the Stalking Horse Bidders. For greater certainty, the Monitor may, in its reasonable business judgment, eliminate a Bidder participating in multiple SSPs from one SSP but not other SSPs.
15. None of the Companies nor any of their Representatives or affiliates shall meet or communicate with a Potential Bidder, Interested Party, Bidder or Qualified Bidder (including the Stalking Horse Bidders in respect of the Stalking Horse Bids) regarding

any Transaction or Opportunity without (a) first informing and obtaining the consent of the Monitor, and (b) allowing the Monitor the right and opportunity to participate in such meeting, management presentation or communication. In the event a disagreement arises between the Companies and the Monitor with respect to any matters related directly or indirectly to this SSP, the Monitor, unless otherwise ordered by the Court, shall have the sole authority to make a final decision with respect to such matters.

16. Neither the Companies nor their Representatives or affiliates shall communicate the identities of any Interested Parties or information in respect of any bids or transaction documents to representatives of either of the Stalking Horse Bidders, whether in that capacity or any other capacity, unless and until the identities of the Qualified Bidders are exchanged with all other Qualified Bidders at Auction. For greater certainty, the foregoing provision is not intended to prevent or restrict the Companies or their Representatives from meeting or communicating with either of the Stalking Horse Bidders or any party related thereto regarding matters that do not relate to the SSP.
17. The Monitor, with the Companies' assistance, shall afford each Bidder such access to applicable due diligence materials and information pertaining to the applicable SSP or SSPs as the Monitor deems appropriate in its reasonable business judgment. Due diligence access may include management presentations, access to the Data Room(s), on-site inspections, and other matters which a Bidder may reasonably request and which the Monitor deems appropriate. The Monitor will designate one or more representatives to coordinate all reasonable requests for additional information and due diligence access from each Bidder and the manner in which such requests must be communicated. Neither the Debtor nor the Monitor will be obligated to furnish any information relating to the Property to any person other than to Bidders. For the avoidance of doubt, selected due diligence materials may be withheld from certain Bidders if the Monitor determines such information to represent proprietary or sensitive competitive information.

Formal Offers and Determination of Qualified Bids

18. Bidders will be able to refer to template Purchase Agreements (which will be based on the Stalking Horse Agreements) placed in the Data Rooms.
19. Bidders that wish to make a formal offer within one or more of the SSPs (a "**Sale Proposal**") must submit such Sale Proposal to the Monitor so as to be received by the Monitor not later than 5:00 PM (Toronto Time) on (a) May 21, 2018 with respect to the Top Aces SSP, and (b) June 4, 2018 with respect to the Northern SSP (the "**Bid Deadline**"). All Sale Proposals in respect of the applicable transactions must be in the form of a duly authorized and executed Purchase Agreement with any changes disclosed in a comparison against the template Purchase Agreement, if applicable, and delivered by email and/or hard copy to each of the persons specified in Schedule "C" hereto. Bidders who wish to submit a Sale Proposal for the assets of any or all of GSH, ATL and/or DMS may submit any such Sale Proposal in a separate form of asset purchase agreement reflecting terms consistent with an insolvency transaction, including without surviving representations and warranties. For greater certainty, Bidders must submit a separate

Purchase Agreement or asset purchase agreement for each SSP in which the Bidder is making a Sale Proposal.

20. The Monitor, in consultation with the Debtor, may modify the Bid Deadline with respect to some or all of the SSPs. Any such modification shall be communicated to all Bidders for the applicable SSP in writing and posted on the Monitor's Website.
21. In order to be considered a "**Final Bid**", a Sale Proposal shall include the following terms (collectively, the "**Final Bid Criteria**"):
 - (a) Subject to subsection (b) below, that the bid is binding and irrevocable until the earlier of (i) 30 days after the Bid Deadline and (ii) approval by the Court of the Accepted Bid (the "**Bid Termination Date**");
 - (b) include an acknowledgement that if such Final Bid is selected by the Monitor as the Backup Bid at the Auction, such Final Bid shall remain binding, irrevocable and open for acceptance by the Debtor until the closing of the transaction with the Successful Bidder;
 - (c) include a refundable cash deposit in the form of a wire transfer (to a bank account specified by the Monitor) or such other form of deposit as is acceptable to the Monitor, payable to the Monitor, in trust, in an amount equal to 15% (the "**Deposit**") of the purchase price contemplated by the Bidder's Final Bid;
 - (d) provide contact information (including an email address) for the Bidder and disclose the identity of each entity (including its ultimate shareholders and/or sponsors) that will be bidding for the Property or otherwise participating in a Final Bid and the complete terms of any such participation;
 - (e) include written evidence of a firm, irrevocable commitment for financing or other evidence of an ability to consummate the proposed transaction or transactions comprising the Final Bid, that will allow the Monitor to make a determination as to the Bidder's financial and other capabilities to consummate the proposed transaction;
 - (f) include acknowledgments and representations of the Bidder that: (i) it has had an opportunity to conduct any and all due diligence regarding the Property, the Companies or otherwise prior to making its bid; (ii) it has relied solely upon its own independent review, investigation and/or inspection of the Property (including, without limitation, any documents in connection therewith) in making its bid; and (iii) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Property or the Companies or the completeness of any information provided in connection therewith, except as expressly contemplated in any definitive documentation duly executed by the Successful Bidder and the applicable Company and approved by the Court;

- (g) include written evidence, in form and substance reasonably satisfactory to the Monitor, of authorization and approval from the Bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the transaction contemplated by the Final Bid;
 - (h) provides value to the creditors and other stakeholders of the Companies (having regard to the relative priority of creditor claims) that is equal to or greater than the value of the applicable Stalking Horse Agreement;
 - (i) describes the specific Property to be acquired by the Bidder;
 - (j) details of any liabilities to be assumed by the Bidder;
 - (k) not be subject to further due diligence;
 - (l) not be subject to financing;
 - (m) include a description of any regulatory or other third-party approvals required for the Bidder to consummate the proposed transaction, and the time period within which the Bidder expects to receive such regulatory and/or third-party approvals, and those actions the Bidder will take to ensure receipt of such approvals as promptly as possible;
 - (n) include a description of any desired arrangements with respect to transition services that may be required from any of the Companies in connection with the sale transaction;
 - (o) not be subject to any conditions precedent except those that are customary in a transaction of this nature;
 - (p) not be conditional upon approval by the Court of any bid protection, such as a break-up fee, termination fee, expense reimbursement or similar type of payment;
 - (q) be received by the Bid Deadline; and
 - (r) contemplate closing the transaction set out therein on or before July 31, 2018 (the "**Closing Date Deadline**").
22. The Monitor may, if it deems appropriate or desirable in the circumstances, modify or amend the Final Bid Criteria.
23. Following the Bid Deadline, the Monitor will determine if each Sale Proposal delivered to the Monitor meets the Final Bid Criteria, provided that each Sale Proposal may be negotiated among the Monitor and the applicable Bidder and may be amended, modified or varied to improve such Sale Proposal as a result of such negotiations. The Monitor shall be under no obligation to negotiate identical terms with, or extend identical terms to, each Bidder.

24. The Monitor may make any modification to the SSP it considers appropriate in the circumstance and, where it considers such modification to be material, it may seek Court approval of such modification on notice to parties in the CCAA Proceeding. For greater certainty, the extension of any deadline by up to two weeks shall not be considered material.
25. If a Sale Proposal meets the Final Bid Criteria, as determined by the Monitor in its sole discretion, such Final Bid will be deemed to be a “**Qualified Bid**” and the Bidder in respect of each such Qualified Bid shall be a “**Qualified Bidder**” in respect of the applicable SSP. The Monitor may waive strict compliance with any one or more of the Final Bid Criteria and deem such non-compliant Sale Proposal to be a Qualified Bid, provided that doing so shall not constitute a waiver by the Monitor of the Final Bid Criteria or an obligation on the part of the Monitor to designate any other Sale Proposal as a Qualified Bid.

Selection of Successful Bidders

26. Within five (5) Business Days of the applicable Bid Deadline, or at such later time as the Monitor may deem appropriate, the Monitor will advise each Bidder if its Sale Proposal is a Qualified Bid (the “**Notification Date**”) with respect to the applicable SSP.
27. Each Stalking Horse Bidder is, and is deemed to be, a Qualified Bidder in respect of the applicable SSP and each Stalking Horse Agreement is, and is deemed to be, a Qualified Bid for all purposes in connection with the applicable SSP.
28. If one or more Qualified Bids (in addition to the Stalking Horse Agreement) for a particular SSP is received by the Bid Deadline, all Qualified Bidders for such SSP (including the applicable Stalking Horse Bidder) shall proceed to an Auction to be held on the applicable auction date (set out in the Auction Procedures below), which shall proceed according to the Auction Procedures to identify the Successful Bidder. The Monitor, in consultation with the Debtor, may postpone or delay the commencement of an Auction with respect to either or both of the SSPs in accordance with the Auction Procedures.
29. If no Qualified Bid for a SSP other than the applicable Stalking Horse Agreement is received by the Bid Deadline, an Auction for such SSP will not be held and that Stalking Horse Bidder will be declared to be the Successful Bidder with respect to the applicable Transaction. The “**Accepted Bid**” for a SSP will be either (i) the applicable Stalking Horse Agreement if no other Qualified Bid for such SSP is received by the Bid Deadline or so designated by the Monitor; or (ii) in the event of an Auction, the superior bid as determined by the Monitor pursuant to the Auction Procedures. The party that submitted the Accepted Bid for a SSP is referred to herein as the “**Successful Bidder**” with respect to such SSP.
30. Within seven (7) Business Days of the selection of an Accepted Bid for a Transaction (or as soon as reasonably possible thereafter), the Debtor shall file an Approval Motion. All of the Qualified Bids for the particular Transaction and SSP other than the Accepted Bid

and the Backup Bid shall be deemed rejected by the Monitor on and as of the date of approval of the applicable Accepted Bid by the Court.

31. All Deposits received by the Monitor in connection with the SSP will be retained by the Monitor in trust in one or more separate bank accounts. Any Deposit held by the Monitor with respect to the Accepted Bid (plus accrued interest, if any) will be non-refundable (other than as may be provided for in the Purchase Agreement that constitutes the Accepted Bid) and will be applied to the purchase price to be paid by the Successful Bidder upon closing of the transaction under the Accepted Bid. The Deposits (plus applicable interest, if any) of Bidders not selected as Qualified Bidders will be returned to such Bidders within three (3) Business Days of the Notification Date. The Deposits (plus applicable interest, if any) of Qualified Bidders (other than the Backup Bidder) not selected as the Successful Bidder will be returned to such parties within three (3) Business Days of the Bid Termination Date. The Deposit of the Backup Bidder, if any, will be returned to such Backup Bidder upon the Closing of the Transaction with the Successful Bidder, together with applicable interest, if any.
32. If the Successful Bidder for any Transaction fails to close the transaction contemplated by the Accepted Bid by the Closing Date Deadline or such other date as may otherwise be mutually agreed upon among one or more of the Companies, the Monitor and the Successful Bidder, the Monitor shall be authorized but not required to: (a) direct any Company that is a party to such Accepted Bid to exercise such rights and remedies as are available to the applicable Company under the Accepted Bid including, if applicable, deeming that the Successful Bidder has breached its obligations pursuant to the Accepted Bid and that the Successful Bidder has forfeited its Deposit to the applicable Company; (b) designate the Backup Bidder as the Successful Bidder and direct the applicable Company to close the Transaction under the Backup Bid; or (c) take such other steps as it deems advisable, including seeking further advice and directions from the Court. The Companies reserve their right to seek all available remedies, including damages or specific performance, in respect of any defaulting Successful Bidder (including any Backup Bidder designated as a Successful Bidder).

Confidentiality and Access to Information

33. Each Potential Bidder, Interested Party, Bidder or Qualified Bidder (including the Stalking Horse Bidder) shall not be permitted to receive any confidential or competitive information that is not made generally available to all participants in the SSP, including the number or identity of Potential Bidders, Bidders, Qualified Bidders, and Qualified Bids; the details of any bids, Sale Proposals or Final Bids submitted; or the details or existence of any confidential discussions or correspondence among the Companies, the Monitor and any Bidder in connection with the SSP.
34. In addition, the Monitor may consult with any other parties with a material interest (as determined in the Monitor's sole discretion) in the CCAA Proceeding regarding the status and material information and developments relating to the SSP to the extent considered appropriate by the Monitor and taking into account, among other things, whether such party is a Bidder, Qualified Bidder, or other participant or prospective participant in the

SSP; provided that such parties may be required to enter into confidentiality arrangements satisfactory to the Monitor. For greater certainty, the Stalking Horse Bidders or their Representatives or affiliates shall not be entitled to any information regarding the status of the SSP unless such information is provided to all Qualified Bidders in the process.

Supervision of the SSP

35. The Monitor will oversee, in all respects, the conduct of the SSP and, without limitation, the Monitor will participate in the SSP in the manner set out herein and in the SSP Order. All discussions or inquiries to the Companies regarding the SSP shall be directed to the Monitor. Under no circumstances should Representatives of the Companies be contacted directly or indirectly in respect of the SSP, including diligence requests, without the prior written consent of the Monitor. Any such unauthorized contact or communication could result in exclusion from the SSP. For greater certainty, the foregoing provision is not intended to prevent or restrict the Companies or their affiliates and Representatives from meeting or communicating with any Stalking Horse Bidder, in a capacity other than as a Stalking Horse Bidder, or any party related thereto regarding matters that do not relate to the SSP.
36. Other than as specifically set forth in the Stalking Horse Agreements or in a definitive agreement between the applicable Company and a Successful Bidder, the SSP does not, and will not be interpreted to, create any contractual or other legal relationship among the Companies, the Monitor, any Potential Bidder, Interested Party, Bidder, Qualified Bidder, the Successful Bidder, or any other party.
37. Subject to the terms of the Initial Order or other Court order and any entitlement of the Stalking Horse Bidder to a Stalking Horse Expense Reimbursement, participants in the SSP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any Final Bid, participation in the SSP, Auction, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a transaction.

SCHEDULE “A”- REFERENCES AND DEFINITIONS

In this document, unless the context otherwise required, words importing the singular include the plural and vice versa. Capitalized terms used herein and not otherwise defined shall have the meaning given to them in the Initial Order. Except where otherwise expressly provided, all dollar reference amounts are to Canadian dollars.

The terms below shall have the following meaning given to them:

- (a) “**Accepted Bid**” has the meaning given to it in paragraph 29;
- (b) “**Air Tindi Transaction**” means the transaction contemplated by the ATL Stalking Horse Agreement or any other transaction under the ATL Stalking Horse Agreement or any superior bid pursuant to the process set out herein;
- (c) “**Approval Motion**” means the Debtor’s motion or motions to be filed with the Court seeking one or more orders to approve the Accepted Bids;
- (d) “**ATL**” means Air Tindi Ltd.;
- (e) “**ATL Property**” has the meaning given to it in the Introduction;
- (f) “**ATL Shares**” means 1870 issued and outstanding Class A common shares in the capital of ATL, being 100% of the issued and outstanding shares of ATL;
- (g) “**ATL SSP**” means the sale and solicitation process to solicit bids for the ATL Property as set out herein;
- (h) “**ATL Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Northern Stalking Horse Bidder dated as of March 21, 2018, as the same may be amended, modified, improved or changed pursuant to the terms of this SSP, for the purchase and sale of the ATL Property;
- (i) “**Auction**” means an auction conducted pursuant to this SSP pursuant to the Auction Procedures;
- (j) “**Auction Location**” has the meaning given to it in paragraph 1 of the Auction Procedures;
- (k) “**Auction Procedures**” mean the auction procedures set out in Schedule “D” hereto;
- (l) “**Backup Bid**” has the meaning given to it in paragraph 13 of the Auction Procedures;

- (m) “**Backup Bidder**” has the meaning given to it in paragraph 13 of the Auction Procedures;
- (n) “**Bid Deadline**” has the meaning given to it in paragraph 19;
- (o) “**Bid Termination Date**” has the meaning given to it in paragraph 21(a);
- (p) “**Bidder**” has the meaning given to it in paragraph 12;
- (q) “**Business Day**” means any day, other than Saturday or Sunday, on which the principal commercial banks in Toronto are open for commercial banking business during normal banking hours;
- (r) “**CCAA**” has the meaning given to it in the Introduction;
- (s) “**CCAA Proceeding**” has the meaning given to it in the Introduction;
- (t) “**Clairvest**” means Clairvest Group Inc. and all of its affiliates including certain funds managed by Clairvest Group Inc. and Mr. G. John Krediet;
- (u) “**Closing Date Deadline**” has the meaning given to it in paragraph 21(r);
- (v) “**CIM**” means a confidential information memorandum to be prepared in connection with the SSP with respect to such Company’s Property and business;
- (w) “**Companies**” means the Debtor, Top Aces, Top Aces Holdco, GSH, ATL and DMS, and “**Company**” means any of them;
- (x) “**Court**” has the meaning given to it in the Introduction;
- (y) “**Credit Bid**” means a bid that provides for all or part of the consideration to be paid to be satisfied by way of a credit bid of secured indebtedness of the Debtor;
- (z) “**Data Rooms**” means the electronic data rooms to be established in connection with the SSP;
- (aa) “**Deposit**” has the meaning given to it in paragraph 21(c);
- (bb) “**Debtor**” has the meaning given to it in the Introduction;
- (cc) “**Discovery Mining Transaction**” means the transaction contemplated by the DMS Stalking Horse Agreement or any other transaction under the DMS Stalking Horse Agreement or any superior bid pursuant to the process set out herein;
- (dd) “**DMS**” means Discovery Mining Services Ltd.

- (ee) “**DMS Property**” has the meaning given to it in the Introduction;
- (ff) “**DMS Shares**” means 22,883,047 issued and outstanding Class A common shares in the capital of DMS, being 100% of the issued and outstanding shares of DMS;
- (gg) “**DMS SSP**” means the sale and solicitation process to solicit bids for the DMS Property as set out herein;
- (hh) “**DMS Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Northern Stalking Horse Bidder dated as of March 21, 2018 as the same may be amended, modified, improved or changed pursuant to the terms of this SSP for the purchase and sale of the DMS Property;
- (ii) “**Final Bid**” has the meaning given to it in paragraph 19;
- (jj) “**Final Bid Criteria**” has the meaning given to it in paragraph 20;
- (kk) “**Great Slave Transaction**” means the transaction contemplated by the GSH Stalking Horse Agreement or any other transaction under the GSH Stalking Horse Agreement or any superior bid pursuant to the process set out herein;
- (ll) “**GSH**” means Great Slave Helicopters Ltd.;
- (mm) “**GSH Property**” has the meaning given to it in the Introduction;
- (nn) “**GSH Shares**” means (i) 157,891,795 issued and outstanding Class A common shares; (ii) 1,111 issued and outstanding Class D common shares; (iii) 40,000,000 issued and outstanding Class E common shares; (iv) 7,624 issued and outstanding Class F Preferred shares; (v) 11,072 issued and outstanding Class G Preferred shares; and (vi) 14,400 issued and outstanding Class H Preferred shares, in each case of the capital of GSH, being 100% of the issued and outstanding shares of GSH;
- (oo) “**GSH SSP**” means the sale and solicitation process to solicit bids for the GSH Property as set out herein;
- (pp) “**GSH Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Northern Stalking Horse Bidder dated as of March 21, 2018 as the same may be amended, modified, improved or changed pursuant to the terms of this SSP for the purchase and sale of the GSH Property;
- (qq) “**Initial Order**” has the meaning given to it in the Introduction;
- (rr) “**Interested Party**” has the meaning given to it in paragraph 11;
- (ss) “**Potential Bidders**” has the meaning given to it in paragraph 6;

- (tt) “**Leading Bid**” has the meaning given to it in paragraph 11 of the Auction Procedures;
- (uu) “**Monitor**” has the meaning given to it in the Introduction;
- (vv) “**Monitor’s Website**” means the Monitor’s website at www.ksvadvisory.com/insolvency-cases/discovery-air.
- (ww) “**NDA**” a non-disclosure agreement to be used in connection with the solicitation of bids in this SSP;
- (xx) “**Northern SSP**” means collectively the GSH SSP, ATL SSP and DMS SSP;
- (yy) “**Northern Transactions**” means the Great Slave Transaction, Air Tindi Transaction and Discovery Mining Transaction;
- (zz) “**Northern Stalking Horse Bidder**” means 10671541 Canada Inc.;
- (aaa) “**Northern Stalking Horse Agreements**” means the GSH Stalking Horse Agreement, ATL Stalking Horse Agreement and DMS Stalking Horse Agreement;
- (bbb) “**Notice**” has the meaning given to it in paragraph 6;
- (ccc) “**Notification Date**” has the meaning given to it in paragraph 26;
- (ddd) “**Opportunity**” has the meaning given to it in paragraph 1;
- (eee) “**Overbid**” has the meaning given to it in paragraph 9 of the Auction Procedures;
- (fff) “**Property**” means the Top Aces Property, GSH Property, ATL Property and/or DMS Property as the context may require;
- (ggg) “**Purchase Agreements**” means the template forms of purchase agreements to be placed in the Data Rooms upon which Bidders are to make Sale Proposals;
- (hhh) “**Qualified Bid**” has the meaning given to it in paragraph 25;
- (iii) “**Qualified Bidder**” has the meaning given to it in paragraph 25;
- (jjj) “**Representatives**” means, with respect to a particular party, such party’s directors, officers, employees, partners, principals, advisors (including legal and financial advisors) and agents provided that with respect to the Companies, “**Representatives**” shall not include any individual who is an employee, director, officer, partner, principal or advisor to Clairvest.

- (kkk) “**Sale Proposal**” has the meaning given to it in paragraph 19;
- (lll) “**SSP**” means the sale and solicitation processes contemplated herein, including without limitation, the Top Aces SSP, GSH SSP, ATL SSP or DMS SSP, or any one of them as the context may require;
- (mmm) “**SSP Order**” has the meaning given to it in the Introduction;
- (nnn) “**Stalking Horse Agreements**” means, collectively, the Top Aces Stalking Horse Agreement and the Northern Stalking Horse Agreements.
- (ooo) “**Stalking Horse Bidder**” means the Top Aces Stalking Horse Bidder and the Northern Stalking Horse Bidder;
- (ppp) “**Starting Bid**” has the meaning given to it in paragraph 7 of the Auction Procedures;
- (qqq) “**Subsequent Bid**” has the meaning given to it in paragraph 4 of the Auction Procedures;
- (rrr) “**Successful Bidder**” has the meaning given to it in paragraph 29;
- (sss) “**Teaser Letter**” means the process summary letters to be prepared by the Monitor, in consultation with the Companies, in connection with the SSP;
- (ttt) “**Top Aces**” means Top Aces Inc. (formerly known as Discovery Air Defence Services Inc.);
- (uuu) “**Top Aces Holdco**” means Top Aces Holdings Inc.;
- (vvv) “**Top Aces Holdco Shares**” means 253.83602 issued and outstanding Class A common shares in the capital of Top Aces Holdco, being 100% of the issued and outstanding shares of Top Aces Holdco owned by the Debtor;
- (www) “**Top Aces Property**” has the meaning given to it in the Introduction;
- (xxx) “**Top Aces SSP**” means the sale and solicitation process to solicit bids for the Top Aces Property as set out herein;
- (yyy) “**Top Aces Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Top Aces Stalking Horse Bidder dated as of March 21, 2018 as the same may be amended, modified, improved or changed pursuant to the terms of this SSP for the purchase and sale of the Top Aces Property;
- (zzz) “**Top Aces Stalking Horse Bidder**” means, collectively, CEP IV Co-Investment Limited Partnership, Clairvest Equity Partners IV Limited Partnership, Clairvest

Equity Partnership IV-A Limited Partnership, DA Holdings Limited Partnership and G. John Krediet.

- (aaaa) “**Top Aces Transaction**” means the transaction contemplated by the Top Aces Stalking Horse Agreement or any other transaction under the Top Aces Stalking Horse Agreement or any superior bid pursuant to the process set out herein;
- (bbbb) “**Transactions**” means the Top Aces Transaction, Great Slave Transaction, Air Tindi Transaction and/or Discovery Mining Transaction.

SCHEDULE “B”

Acknowledgement of the Sale and Solicitation Process

TO: Discovery Air Inc.

AND TO: KSV Kofman Inc. in its capacity as monitor in the CCAA proceedings of Discovery Air Inc.

RE: Sale and Solicitation Process in respect of the following Transaction(s) [*check all that apply*]:

- Top Aces Transaction
 - Great Slave Transaction
 - Air Tindi Transaction
 - Discovery Mining Transaction
-

The undersigned hereby acknowledges receipt of the sale and solicitation process approved by the Order of the Honourable Justice Hainey of the Ontario Superior Court of Justice (Commercial List) dated April 4, 2018 (the “SSP”) and that compliance with the terms and provisions of the SSP is required in order to participate in the SSP and for any Final Bid (as defined in the SSP) to be considered by the Monitor.

This ____ day of _____, 2018.

[Insert Interested Party name]

Per:

Email Address:

SCHEDULE “C” – ADDRESSES FOR NOTICES**KSV Kofman Inc.****Court-Appointed Monitor in Discovery Air Inc.’s CCAA proceedings**

150 King Street West

Suite 2308, Box 42

Toronto ON M5H 1J9

Attention: Bobby Kofman & David Sieradzki

Email: bkofman@ksvadvisory.com/ dsieradzki@ksvadvisory.com**-with copies to-****Goldman Sloan Nash & Haber LLP****Lawyers for the Debtor**

1600-480 University Avenue

Toronto, ON M5G 1V2

Attention: Mario Forte and Jennifer Stam

Email: forte@gsnh.com/ stam@gsnh.com**Goodmans LLP****Lawyers for the Monitor**

Bay Adelaide Centre

333 Bay Street, Suite 3400

Toronto ON M5H 2S7

Attention: L. Joseph Latham and Bradley Wiffen

Email: jlatham@goodmans.ca / bwiffen@goodmans.ca

SCHEDULE “D” - AUCTION PROCEDURES

1. The Auctions, if any, shall be conducted by the Monitor, at the offices of Goodmans LLP, 333 Bay Street, Suite 3400, Toronto, ON, M5H 2S7 or such other location as the Monitor may choose in advance of the commencement of an Auction (the “**Auction Location**”) commencing at 10:00 a.m. (Toronto time) on the following dates:

- Top Aces SSP: May 21, 2018
- Northern SSP: June 14, 2018

No later than 24 hours prior to the scheduled date of the Auction, the Monitor shall communicate any change in the Auction Location from the offices of Goodmans LLP to another location to all applicable Qualified Bidders in writing (including by e-mail) and post notice of such change in location at the offices of Goodmans LLP and on the Monitor’s Website.

2. To the extent that the Monitor is to conduct multiple Auctions, it may choose to conduct such Auctions concurrently or consecutively in its discretion. Any delay or postponement of the commencement of an Auction shall be communicated in accordance with paragraph 27 of the SSP.
3. Unless otherwise ordered by the Court or consented to in writing by the Monitor, only the authorized representatives and professional advisors of the Monitor, the Companies and the applicable Qualified Bidders (including, for certainty, the applicable Stalking Horse Bidder) invited to an Auction shall be eligible to attend an Auction and make any Subsequent Bid (as defined below) at an Auction. Administrative personnel, including without limitation, a court reporter or similar official, will also attend an Auction at the invitation of the Monitor.
4. At an Auction, all applicable Qualified Bidders (including, for certainty, a Stalking Horse Bidder) shall be permitted to increase their Qualified Bids in accordance with the procedures set forth herein (each, a “**Subsequent Bid**”). All Subsequent Bids presented during an Auction shall be made and received in one room on an open basis. All Qualified Bidders participating in an Auction shall be entitled to be present for all bidding with the understanding that the true identity of each participating Qualified Bidder shall be fully disclosed to all other Qualified Bidders and that all material terms of each Subsequent Bid presented during an Auction will be fully disclosed to all Qualified Bidders throughout an Auction.
5. In order to participate in an Auction and submit a Subsequent Bid(s), all Qualified Bidders must have at least one individual representative with authority to bind

such Qualified Bidder present in person at the Auction Location during the Auction.

6. All proceedings at an Auction shall be transcribed by a person(s) designated by the Monitor.
7. At least two (2) days prior to an Auction, the Monitor will advise all Qualified Bidders for the applicable SSP which of the Qualified Bids (including a Stalking Horse Agreement) the Monitor has determined in its reasonable business judgment, after consultation with its advisors and the Companies, constitutes the superior Qualified Bid (the "**Starting Bid**").
8. The Starting Bid will be deemed to be the first bid at the Auction and bidding at the Auction will continue, in one or more rounds of bidding, so long as during each round, at least one Subsequent Bid is submitted by a Qualified Bidder that, in the reasonable business judgement of the Monitor (i) improves upon the then Leading Bid (as herein defined) and (ii) meets the Overbid requirement.
9. The first round of bidding at an Auction in respect of the following processes and transactions shall commence in increments to be established by the Monitor and communicated to all Qualified Bidders no later than 2 days prior to the commencement of the applicable Auction (each an "**Overbid**"). The Monitor in its sole discretion shall be entitled to change the amount of the applicable Overbid at the commencement of or in subsequent rounds of bidding at the Auction.
10. Credit Bids will be permitted at an Auction, provided that the validity of such secured indebtedness has been confirmed by the Monitor in its sole satisfaction prior to commencement of such Auction. Bidding shall continue until such time as the superior bid in any Auction is determined by the Monitor, in its reasonable business judgment, after consultation with its advisors. The Monitor, in its sole discretion, shall have the right to modify the bidding increments at the commencement of any round of the Auction. Insofar as a Subsequent Bid (including any Subsequent Bid by a Stalking Horse Bidder) includes a Credit Bid or the assumption of liabilities, the Monitor shall determine the value of the consideration provided by such Subsequent Bid presented at the Auction, and in making such determination shall take into account the amount and priority of any Credit Bid and any liabilities to be assumed by a Qualified Bidder.
11. After the first round of bidding and between each subsequent round of bidding, the Monitor shall announce the Subsequent Bid that the Monitor has determined in its reasonable business judgment, after consultation with its advisors, to be the superior bid (the "**Leading Bid**"). At the commencement of the Auction, the Starting Bid shall be the Leading Bid. A round of bidding will conclude after each participating Qualified Bidder has had an opportunity to submit a Subsequent Bid with full knowledge of the Leading Bid.

12. If no Qualified Bidder submits a Subsequent Bid (as determined by the Monitor) after a period of 30 minutes following the Monitor's acceptance of a Subsequent Bid as the Leading Bid, and provided that the Monitor chooses not to adjourn the subject Auction, the Leading Bid shall be the Accepted Bid, whereupon such Auction will be concluded. The Monitor shall have the right, but not the obligation, to extend the time period to submit a Subsequent Bid.
13. If an Auction is conducted, the Monitor shall determine, in its reasonable business judgment after consultation with its advisors, the next best Qualified Bid after the Accepted Bid (the "**Backup Bid**"). The Qualified Bidder that has submitted the Backup Bid will be designated as the "**Backup Bidder**". The Backup Bidder shall be required to keep its last submitted Subsequent Bid, or if it has not made a Subsequent Bid, its Qualified Bid (the "**Backup Bid**") open and irrevocable until the closing of the transaction with the Successful Bidder pursuant to the terms of the SSP.
14. At or during an Auction, the Monitor, after consultation with its advisors, may employ and announce additional procedural rules that are fair and reasonable under the circumstances for conducting such Auction; provided, however, that such rules are (a) not inconsistent with the SSP or these Auction Procedures, the CCAA, the SSP Order, or any other order of the Court entered in connection with the SSP or Auction Procedures and (b) disclosed to each Qualified Bidder at or during the Auction.

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36,
AS AMENDED

Court File No.: CV-18-594380-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF DISCOVERY
AIR INC. (the "APPLICANT")

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

Proceeding commenced at Toronto

AFFIDAVIT OF PAUL BERNARDS
(SWORN MARCH 28, 2018)

GOLDMAN SLOAN NASH & HABER LLP
480 University Avenue, Suite 1600
Toronto, Ontario M5G 1V2
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Mario Forte (LSUC#: 27293F)
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Lawyers for the Applicant

TAB 3

Court File No. CV-18-594380-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	WEDNESDAY, THE 4 th
)	
JUSTICE HAINEY	)	DAY OF APRIL, 2018

IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF DISCOVERY AIR INC.

APPLICANT

SSP APPROVAL ORDER

THIS MOTION, made by Discovery Air Inc. (the “**Applicant**”), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) for an order, *inter alia*, approving a sale solicitation process and certain related relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicant, the affidavit of Paul Bernards sworn March 27, 2018, and the Exhibits thereto (the “**Bernards Affidavit**”), the First Report of KSV Kofman Inc., in its capacity as Monitor (the “**Monitor**”) dated ■, 2018, filed, and on hearing the submissions of counsel for the Applicant, the Monitor and Clairvest Group Inc., no one else appearing although duly served as appears from the Affidavit of Service of ■ sworn ■, 2018, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meaning ascribed to them under the Sale Solicitation Process attached hereto as Schedule “A” (the “SSP”).

APPROVAL OF STALKING HORSE AGREEMENTS

3. **THIS COURT ORDERS** that the execution, delivery, entry into, compliance with, and performance by the Applicant of each of the Top Aces Stalking Horse Agreement, GSH Stalking Horse Agreement, ATL Stalking Horse Agreement and DMS Stalking Horse Agreement (each, as defined in the Bernards Affidavit, and, collectively the “**Stalking Horse Agreements**”), be and is hereby ratified, authorized and approved, *provided, however*, that nothing contained in this Order approves the sale or the vesting of any property, assets or undertaking of the Applicant to either of the Stalking Horse Bidders pursuant to any of the Stalking Horse Agreements and that, if any or all of the Stalking Horse Agreements are the Accepted Bid under the SSP, the approval of the sale and vesting of the assets contemplated to be sold thereunder to the applicable Stalking Horse Bidder shall be considered by this Court on a subsequent motion or motions made to this Court following completion of the SSP, all in accordance with the terms of the SSP.
4. **THIS COURT ORDERS** that the Stalking Horse Agreements be and are hereby approved and accepted solely for the purposes of constituting stalking horse bids under the SSP.
5. **THIS COURT DECLARES** that the Stalking Horse Bidders are parties to these proceedings.
6. **THIS COURT ORDERS** that the Stalking Horse Agreements shall not be rendered invalid or unenforceable and the rights and remedies of the Stalking Horse Bidders thereunder shall not otherwise be limited or impaired in any way by: (a) the Applicant’s CCAA proceedings and the declarations of insolvency made in connection therewith; (b) any application(s) for bankruptcy order(s) issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”),

or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of security interests, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) the execution, delivery or performance of the Stalking Horse Agreements shall not create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party; and
- (b) the Stalking Horse Bidders shall not have any liability to any person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicant entering into the Stalking Horse Agreements.

APPROVAL OF SSP

7. **THIS COURT ORDERS** that the SSP (subject to such non-material amendments as may be agreed to by the Monitor and the Stalking Horse Bidders (including all schedules thereto)) be and is hereby approved and the Monitor, the Applicant, the Non-Applicant Subsidiaries (as defined in the Initial Order) Top Aces Inc. and Top Aces Holdings Inc. (together with the Applicant and the Non-Applicant Subsidiaries, the “**Companies**”) are hereby authorized and directed to take such steps as they deem necessary or advisable (subject to the terms of the SSP) to carry out the SSP, subject to prior approval of this Court being obtained before completion of any transaction(s) under the SSP.

8. **THIS COURT ORDERS** that the Monitor, the Companies and their respective affiliates, partners, directors, employees, advisors, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liability of any nature or kind to any person in connection with or as a result of performing their duties under the SSP, except to the extent of such losses, claims, damages or liabilities resulting from the gross negligence or wilful misconduct of the Monitor or the Companies, as applicable, as determined by the Court.

9. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Monitor, the Applicant and the Non-Applicant Subsidiaries (under the direction of the Monitor) are hereby authorized and permitted to disclose and transfer to each potential bidder (the “**Bidders**”) (including, without limitation, the Stalking Horse Bidders) and to their Representatives, if requested by such Bidders, personal information of identifiable individuals, including, without limitation, all human resources and payroll information in the Companies’ records pertaining to the Companies’ past and current employees, but only to the extent desirable or required to negotiate or attempt to complete a sale of the shares and assets contemplated by the Stalking Horse Agreements (a “**Sale**”). Each Bidder or Representative 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 for the purpose of effecting a Sale, and if it does not complete a Sale, shall return all such information to the Monitor, or in the alternative destroy all such information and provide confirmation of its destruction if requested by the Monitor. The Successful Bidder(s) shall maintain and protect the privacy of such information and, upon closing of the transaction contemplated in the Accepted Bid(s), shall be entitled to use the personal information provided to it that is related to the Property acquired pursuant to the SSP in a manner that is in all material respects identical to the prior use of such information by the relevant Company or Companies, and shall return all other personal information to the Monitor, or ensure that all other personal information is destroyed and provide confirmation of its destruction if requested by the Monitor.

10. **THIS COURT ORDERS** that none of the Companies or any of their employees or Representatives shall communicate directly with Clairvest regarding any information relating to the SSP including, without limitation, the identities of the Interested Parties (as defined in the SSP).

GENERAL

11. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, or any other jurisdiction, to give effect to this Order and to assist the Applicant, the Monitor 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 orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or

desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

12. **THIS COURT ORDERS** that each of the Applicant and the Monitor 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 Monitor 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.

13. **THIS COURT ORDERS** that at any time during the SSP, the Monitor, the Applicant or any Stalking Horse Bidder may apply to the Court for directions with respect to the SSP.

Schedule "A"
Sale Solicitation Process

SALE SOLICITATION PROCESS

Introduction

On March 21, 2018, Discovery Air Inc. (the “**Debtor**”) commenced a proceeding (the “**CCAA Proceeding**”) under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) before the Ontario Superior Court of Justice (Commercial List) (the “**Court**”). Pursuant to the initial order issued by the Court in the CCAA Proceeding (the “**Initial Order**”), KSV Kofman Inc. was appointed as monitor (the “**Monitor**”) in the CCAA Proceeding.

The following Schedules are incorporated into this SSP: (a) Schedule “A” – References and Definitions; (b) Schedule “B” – Form of Acknowledgment of Sale Solicitation Process; (c) Schedule “C” – Addresses for Notice; and (d) Schedule “D” – Auction Procedures.

On April 4, 2018, the Debtor brought a motion before the Court, for, among other things, an order (the “**SSP Order**”) approving:

- (a) the Top Aces Stalking Horse Agreement pursuant to which the Top Aces Stalking Horse Bidder has agreed to: (i) purchase: (A) the Top Aces Holdco Shares; (B) certain assets owned by the Debtor and used in the Top Aces business and/or shared between the Top Aces business and the businesses of GSH, ATL and DMS; and (C) intercompany debt owing by Top Aces and/or Top Aces Holdco to the Debtor, if any (collectively, “**Top Aces Property**”); and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness, if any;
- (b) the following Stalking Horse Agreements between the Debtor and the Northern Stalking Horse Bidder:
 - (i) the GSH Stalking Horse Agreement pursuant to which the Northern Stalking Horse Bidder has agreed to: (i) purchase: (A) the GSH Shares; (B) certain assets owned by the Debtor and used in the GSH business as more particularly described in the GSH Stalking Horse Agreement; and (C) certain intercompany debt owing by GSH to the Debtor (collectively, the “**GSH Property**”); and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness of the Debtor;
 - (ii) the ATL Stalking Horse Agreement pursuant to which the Northern Stalking Horse Bidder has agreed to: (i) purchase: (A) the ATL Shares; (B) certain assets owned by the Debtor and used in the ATL business as more particularly described in the ATL Stalking Horse Agreement; and (C) certain intercompany debt owing by ATL to the Debtor (collectively, the “**ATL Property**”); and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness owing by the Debtor;
 - (iii) the DMS Stalking Horse Agreement pursuant to which the Northern Stalking Horse Bidder has agreed to: (i) purchase: (A) the DMS Shares; and (B) certain assets owned by the Debtor and used in the DMS business as more particularly described in the DMS Stalking Horse Agreement

(together with the DMS Shares, the “**DMS Property**”); and (ii) assume or otherwise satisfy certain liabilities and/or extinguish certain indebtedness owing by the Debtor; and

(c) this SSP.

On April [4], 2018, the Court granted the SSP Order. The Monitor will conduct the SSP in accordance with the SSP Order and this SSP.

Under the SSP, all qualified interested parties will be provided with an opportunity to participate in the SSP on the terms set out herein.

Commencement of the SSP and Identifying Bidders

1. The purpose of the SSP is to conduct certain processes to provide interested parties with opportunities to submit competing offers on an “as is, where is” basis to purchase: (a) the Top Aces Property; (b) the GSH Property or all or substantially all of the assets of GSH; (c) the ATL Property or all or substantially all of the assets of ATL; and (d) the DMS Property or all or substantially all of the assets of DMS (each, an “**Opportunity**”). The SSP shall apply to each of the Opportunities and the related processes and transactions, including without limitation, the Top Aces Transaction, Great Slave Transaction, Air Tindi Transaction and Discovery Mining Transaction.
2. Any sales pursuant to this SSP will be without surviving representations or warranties of any kind, nature, or description by the Monitor, the Companies or any of their respective directors, officers, agents, advisors or other representatives unless otherwise agreed in a definitive agreement.
3. All of the Debtor’s right, title and interest in and to any of the Property or other assets to be sold pursuant to any Transactions will be sold free and clear of the pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein and thereon as set out in the Court order approving such sale unless specifically permitted to continue pursuant to the terms of the Accepted Bid.

Timeline

4. The following table sets out the key milestones and deadlines under the SSP, which may be extended or amended by the Monitor in its discretion by up to two weeks without Court approval:

Milestone	Deadline (Top Aces SSP)	Deadline (GSH SSP)	Deadline (ATL SSP)	Deadline (DMS SSP)
Commencement SSP	April 4, 2018	April 4, 2018	April 4, 2018	April 4, 2018
Bid Deadline	May 21, 2018	June 4, 2018	June 4, 2018	June 4, 2018
Auction	May 31, 2018	June 14, 2018	June 14, 2018	June 14, 2018

Closing Date Deadline	July 31, 2018	July 31, 2018	July 31, 2018	July 31, 2018
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Solicitation of Interest: Notice of the SSP

5. The Debtor will issue a press release providing notice of the SSP and any such other relevant information as the Debtor and Monitor consider appropriate (a “**Notice**”) with Canada Newswire for designated dissemination in Canada and such other jurisdictions as the Monitor, in consultation with the Debtor, considers appropriate.
6. The Monitor shall be entitled, but not obligated, to arrange for a Notice to be published in *The Globe and Mail* (National Edition), and any other newspaper or industry journal as the Monitor considers appropriate, if any, if it believes that such advertisement would be useful in the circumstances.
7. The Monitor, with the assistance of the Companies and their Representatives, has prepared:
 - (a) a list of potential financial bidders who may be interested in a Top Aces Transaction and a list of potential financial and strategic bidders who may be interested in any or all of the Northern Transactions (collectively, “**Potential Bidders**”);
 - (b) Teaser Letters describing the Opportunities, outlining the processes under the Top Aces SSP and Northern SSP, respectively, and inviting recipients of the Teaser Letters to express their interest pursuant to the applicable SSP;
 - (c) a form of NDA; and
 - (d) CIMs describing the Opportunities, which will be made available by the Monitor to Bidders (as defined below).
8. The Monitor, with the assistance of the Companies and their Representatives, has established Data Rooms in respect of the SSPs, which Data Rooms may continue to be updated from time to time during the SSP.
9. The Monitor and its Representatives may consult with, or seek the assistance or cooperation of, the Companies with respect to any matter relating to this SSP and the conduct thereof, including, without limitation, the activities described in paragraphs 6 to 8 above. The Companies and their Representatives shall cooperate fully with the Monitor and its Representatives and provide such assistance as is reasonably requested by the Monitor in connection with the SSP.
10. The Monitor will send the applicable Teaser Letter(s) and applicable form or forms of NDA to all applicable Potential Bidders as soon as reasonably practicable after the granting of the SSP Order and to any other party who requests a copy of a Teaser Letter and NDA or who is identified by the Debtor or the Monitor as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.

Delivery of CIMs

11. Any party who wishes to participate in one or more of the SSPs (an “**Interested Party**”), including any Potential Bidder, must provide to the Monitor:
 - (a) a NDA executed by it, and a letter setting forth the identity of the Interested Party, the contact information for such Interested Party and full disclosure of the direct and indirect principals of the Interested Party;
 - (b) an acknowledgment of the applicable SSP or SSPs in which the Interested Party wishes to participate, in the form attached hereto as Schedule “B”; and
 - (c) such form of financial disclosure and credit quality support or enhancement that allows the Monitor to make a reasonable determination as to the Interested Party’s financial and other capabilities to consummate a Sale Proposal.
12. If it is determined by the Monitor, in its reasonable business judgment, that an Interested Party: (i) has delivered the documents contemplated in paragraph 11 above; and (ii) has the financial capability based on the availability of financing, experience and other considerations, to be able to consummate a sale pursuant to the SSP or SSPs in which the Interested Party is interested, then such Interested Party will be deemed to be a “**Bidder**”. For greater certainty, the Monitor may, in its reasonable business judgment, determine that an Interested Party may be deemed a Bidder in one SSP but not another.
13. The Monitor will provide each Bidder with a copy of the applicable CIM(s) and access to any corresponding Data Rooms. Bidders and Qualified Bidders (as defined below) must rely solely on their own independent review, investigation and/or inspection of all information and of the Property in connection with their participation in any of the SSPs and any transaction they enter into with the Debtor. The Companies, the Monitor and their respective directors, officers, agents and advisors make no representation or warranty whatsoever as to the information (including, without limitation, with respect to its accuracy or completeness) (i) contained in any of the CIMs or the Data Rooms; (ii) provided through the due diligence process or otherwise made available pursuant to any of the SSPs; or (iii) otherwise made available to a Potential Bidder, Interested Party, Bidder or Qualified Bidder, except to the extent expressly contemplated in any definitive documentation duly executed and delivered by the Successful Bidder (as defined below) duly executed by the applicable Company and approved by the Court.
14. At any time during the SSP, the Monitor may, in its reasonable business judgment, eliminate a Bidder from any of the SSPs, in which case such party will no longer be a Bidder for the purposes of such SSP, provided however, this provision does not apply to either of the Stalking Horse Bidders. For greater certainty, the Monitor may, in its reasonable business judgment, eliminate a Bidder participating in multiple SSPs from one SSP but not other SSPs.
15. None of the Companies nor any of their Representatives or affiliates shall meet or communicate with a Potential Bidder, Interested Party, Bidder or Qualified Bidder (including the Stalking Horse Bidders in respect of the Stalking Horse Bids) regarding

any Transaction or Opportunity without (a) first informing and obtaining the consent of the Monitor, and (b) allowing the Monitor the right and opportunity to participate in such meeting, management presentation or communication. In the event a disagreement arises between the Companies and the Monitor with respect to any matters related directly or indirectly to this SSP, the Monitor, unless otherwise ordered by the Court, shall have the sole authority to make a final decision with respect to such matters.

16. Neither the Companies nor their Representatives or affiliates shall communicate the identities of any Interested Parties or information in respect of any bids or transaction documents to representatives of either of the Stalking Horse Bidders, whether in that capacity or any other capacity, unless and until the identities of the Qualified Bidders are exchanged with all other Qualified Bidders at Auction. For greater certainty, the foregoing provision is not intended to prevent or restrict the Companies or their Representatives from meeting or communicating with either of the Stalking Horse Bidders or any party related thereto regarding matters that do not relate to the SSP.
17. The Monitor, with the Companies' assistance, shall afford each Bidder such access to applicable due diligence materials and information pertaining to the applicable SSP or SSPs as the Monitor deems appropriate in its reasonable business judgment. Due diligence access may include management presentations, access to the Data Room(s), on-site inspections, and other matters which a Bidder may reasonably request and which the Monitor deems appropriate. The Monitor will designate one or more representatives to coordinate all reasonable requests for additional information and due diligence access from each Bidder and the manner in which such requests must be communicated. Neither the Debtor nor the Monitor will be obligated to furnish any information relating to the Property to any person other than to Bidders. For the avoidance of doubt, selected due diligence materials may be withheld from certain Bidders if the Monitor determines such information to represent proprietary or sensitive competitive information.

Formal Offers and Determination of Qualified Bids

18. Bidders will be able to refer to template Purchase Agreements (which will be based on the Stalking Horse Agreements) placed in the Data Rooms.
19. Bidders that wish to make a formal offer within one or more of the SSPs (a "**Sale Proposal**") must submit such Sale Proposal to the Monitor so as to be received by the Monitor not later than 5:00 PM (Toronto Time) on (a) May 21, 2018 with respect to the Top Aces SSP, and (b) June 4, 2018 with respect to the Northern SSP (the "**Bid Deadline**"). All Sale Proposals in respect of the applicable transactions must be in the form of a duly authorized and executed Purchase Agreement with any changes disclosed in a comparison against the template Purchase Agreement, if applicable, and delivered by email and/or hard copy to each of the persons specified in Schedule "C" hereto. Bidders who wish to submit a Sale Proposal for the assets of any or all of GSH, ATL and/or DMS may submit any such Sale Proposal in a separate form of asset purchase agreement reflecting terms consistent with an insolvency transaction, including without surviving representations and warranties. For greater certainty, Bidders must submit a separate

Purchase Agreement or asset purchase agreement for each SSP in which the Bidder is making a Sale Proposal.

20. The Monitor, in consultation with the Debtor, may modify the Bid Deadline with respect to some or all of the SSPs. Any such modification shall be communicated to all Bidders for the applicable SSP in writing and posted on the Monitor's Website.
21. In order to be considered a "**Final Bid**", a Sale Proposal shall include the following terms (collectively, the "**Final Bid Criteria**"):
 - (a) Subject to subsection (b) below, that the bid is binding and irrevocable until the earlier of (i) 30 days after the Bid Deadline and (ii) approval by the Court of the Accepted Bid (the "**Bid Termination Date**");
 - (b) include an acknowledgement that if such Final Bid is selected by the Monitor as the Backup Bid at the Auction, such Final Bid shall remain binding, irrevocable and open for acceptance by the Debtor until the closing of the transaction with the Successful Bidder;
 - (c) include a refundable cash deposit in the form of a wire transfer (to a bank account specified by the Monitor) or such other form of deposit as is acceptable to the Monitor, payable to the Monitor, in trust, in an amount equal to 15% (the "**Deposit**") of the purchase price contemplated by the Bidder's Final Bid;
 - (d) provide contact information (including an email address) for the Bidder and disclose the identity of each entity (including its ultimate shareholders and/or sponsors) that will be bidding for the Property or otherwise participating in a Final Bid and the complete terms of any such participation;
 - (e) include written evidence of a firm, irrevocable commitment for financing or other evidence of an ability to consummate the proposed transaction or transactions comprising the Final Bid, that will allow the Monitor to make a determination as to the Bidder's financial and other capabilities to consummate the proposed transaction;
 - (f) include acknowledgments and representations of the Bidder that: (i) it has had an opportunity to conduct any and all due diligence regarding the Property, the Companies or otherwise prior to making its bid; (ii) it has relied solely upon its own independent review, investigation and/or inspection of the Property (including, without limitation, any documents in connection therewith) in making its bid; and (iii) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Property or the Companies or the completeness of any information provided in connection therewith, except as expressly contemplated in any definitive documentation duly executed by the Successful Bidder and the applicable Company and approved by the Court;

- (g) include written evidence, in form and substance reasonably satisfactory to the Monitor, of authorization and approval from the Bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the transaction contemplated by the Final Bid;
 - (h) provides value to the creditors and other stakeholders of the Companies (having regard to the relative priority of creditor claims) that is equal to or greater than the value of the applicable Stalking Horse Agreement;
 - (i) describes the specific Property to be acquired by the Bidder;
 - (j) details of any liabilities to be assumed by the Bidder;
 - (k) not be subject to further due diligence;
 - (l) not be subject to financing;
 - (m) include a description of any regulatory or other third-party approvals required for the Bidder to consummate the proposed transaction, and the time period within which the Bidder expects to receive such regulatory and/or third-party approvals, and those actions the Bidder will take to ensure receipt of such approvals as promptly as possible;
 - (n) include a description of any desired arrangements with respect to transition services that may be required from any of the Companies in connection with the sale transaction;
 - (o) not be subject to any conditions precedent except those that are customary in a transaction of this nature;
 - (p) not be conditional upon approval by the Court of any bid protection, such as a break-up fee, termination fee, expense reimbursement or similar type of payment;
 - (q) be received by the Bid Deadline; and
 - (r) contemplate closing the transaction set out therein on or before July 31, 2018 (the "**Closing Date Deadline**").
22. The Monitor may, if it deems appropriate or desirable in the circumstances, modify or amend the Final Bid Criteria.
23. Following the Bid Deadline, the Monitor will determine if each Sale Proposal delivered to the Monitor meets the Final Bid Criteria, provided that each Sale Proposal may be negotiated among the Monitor and the applicable Bidder and may be amended, modified or varied to improve such Sale Proposal as a result of such negotiations. The Monitor shall be under no obligation to negotiate identical terms with, or extend identical terms to, each Bidder.

24. The Monitor may make any modification to the SSP it considers appropriate in the circumstance and, where it considers such modification to be material, it may seek Court approval of such modification on notice to parties in the CCAA Proceeding. For greater certainty, the extension of any deadline by up to two weeks shall not be considered material.
25. If a Sale Proposal meets the Final Bid Criteria, as determined by the Monitor in its sole discretion, such Final Bid will be deemed to be a “**Qualified Bid**” and the Bidder in respect of each such Qualified Bid shall be a “**Qualified Bidder**” in respect of the applicable SSP. The Monitor may waive strict compliance with any one or more of the Final Bid Criteria and deem such non-compliant Sale Proposal to be a Qualified Bid, provided that doing so shall not constitute a waiver by the Monitor of the Final Bid Criteria or an obligation on the part of the Monitor to designate any other Sale Proposal as a Qualified Bid.

Selection of Successful Bidders

26. Within five (5) Business Days of the applicable Bid Deadline, or at such later time as the Monitor may deem appropriate, the Monitor will advise each Bidder if its Sale Proposal is a Qualified Bid (the “**Notification Date**”) with respect to the applicable SSP.
27. Each Stalking Horse Bidder is, and is deemed to be, a Qualified Bidder in respect of the applicable SSP and each Stalking Horse Agreement is, and is deemed to be, a Qualified Bid for all purposes in connection with the applicable SSP.
28. If one or more Qualified Bids (in addition to the Stalking Horse Agreement) for a particular SSP is received by the Bid Deadline, all Qualified Bidders for such SSP (including the applicable Stalking Horse Bidder) shall proceed to an Auction to be held on the applicable auction date (set out in the Auction Procedures below), which shall proceed according to the Auction Procedures to identify the Successful Bidder. The Monitor, in consultation with the Debtor, may postpone or delay the commencement of an Auction with respect to either or both of the SSPs in accordance with the Auction Procedures.
29. If no Qualified Bid for a SSP other than the applicable Stalking Horse Agreement is received by the Bid Deadline, an Auction for such SSP will not be held and that Stalking Horse Bidder will be declared to be the Successful Bidder with respect to the applicable Transaction. The “**Accepted Bid**” for a SSP will be either (i) the applicable Stalking Horse Agreement if no other Qualified Bid for such SSP is received by the Bid Deadline or so designated by the Monitor; or (ii) in the event of an Auction, the superior bid as determined by the Monitor pursuant to the Auction Procedures. The party that submitted the Accepted Bid for a SSP is referred to herein as the “**Successful Bidder**” with respect to such SSP.
30. Within seven (7) Business Days of the selection of an Accepted Bid for a Transaction (or as soon as reasonably possible thereafter), the Debtor shall file an Approval Motion. All of the Qualified Bids for the particular Transaction and SSP other than the Accepted Bid

and the Backup Bid shall be deemed rejected by the Monitor on and as of the date of approval of the applicable Accepted Bid by the Court.

31. All Deposits received by the Monitor in connection with the SSP will be retained by the Monitor in trust in one or more separate bank accounts. Any Deposit held by the Monitor with respect to the Accepted Bid (plus accrued interest, if any) will be non-refundable (other than as may be provided for in the Purchase Agreement that constitutes the Accepted Bid) and will be applied to the purchase price to be paid by the Successful Bidder upon closing of the transaction under the Accepted Bid. The Deposits (plus applicable interest, if any) of Bidders not selected as Qualified Bidders will be returned to such Bidders within three (3) Business Days of the Notification Date. The Deposits (plus applicable interest, if any) of Qualified Bidders (other than the Backup Bidder) not selected as the Successful Bidder will be returned to such parties within three (3) Business Days of the Bid Termination Date. The Deposit of the Backup Bidder, if any, will be returned to such Backup Bidder upon the Closing of the Transaction with the Successful Bidder, together with applicable interest, if any.
32. If the Successful Bidder for any Transaction fails to close the transaction contemplated by the Accepted Bid by the Closing Date Deadline or such other date as may otherwise be mutually agreed upon among one or more of the Companies, the Monitor and the Successful Bidder, the Monitor shall be authorized but not required to: (a) direct any Company that is a party to such Accepted Bid to exercise such rights and remedies as are available to the applicable Company under the Accepted Bid including, if applicable, deeming that the Successful Bidder has breached its obligations pursuant to the Accepted Bid and that the Successful Bidder has forfeited its Deposit to the applicable Company; (b) designate the Backup Bidder as the Successful Bidder and direct the applicable Company to close the Transaction under the Backup Bid; or (c) take such other steps as it deems advisable, including seeking further advice and directions from the Court. The Companies reserve their right to seek all available remedies, including damages or specific performance, in respect of any defaulting Successful Bidder (including any Backup Bidder designated as a Successful Bidder).

Confidentiality and Access to Information

33. Each Potential Bidder, Interested Party, Bidder or Qualified Bidder (including the Stalking Horse Bidder) shall not be permitted to receive any confidential or competitive information that is not made generally available to all participants in the SSP, including the number or identity of Potential Bidders, Bidders, Qualified Bidders, and Qualified Bids; the details of any bids, Sale Proposals or Final Bids submitted; or the details or existence of any confidential discussions or correspondence among the Companies, the Monitor and any Bidder in connection with the SSP.
34. In addition, the Monitor may consult with any other parties with a material interest (as determined in the Monitor's sole discretion) in the CCAA Proceeding regarding the status and material information and developments relating to the SSP to the extent considered appropriate by the Monitor and taking into account, among other things, whether such party is a Bidder, Qualified Bidder, or other participant or prospective participant in the

SSP; provided that such parties may be required to enter into confidentiality arrangements satisfactory to the Monitor. For greater certainty, the Stalking Horse Bidders or their Representatives or affiliates shall not be entitled to any information regarding the status of the SSP unless such information is provided to all Qualified Bidders in the process.

Supervision of the SSP

35. The Monitor will oversee, in all respects, the conduct of the SSP and, without limitation, the Monitor will participate in the SSP in the manner set out herein and in the SSP Order. All discussions or inquiries to the Companies regarding the SSP shall be directed to the Monitor. Under no circumstances should Representatives of the Companies be contacted directly or indirectly in respect of the SSP, including diligence requests, without the prior written consent of the Monitor. Any such unauthorized contact or communication could result in exclusion from the SSP. For greater certainty, the foregoing provision is not intended to prevent or restrict the Companies or their affiliates and Representatives from meeting or communicating with any Stalking Horse Bidder, in a capacity other than as a Stalking Horse Bidder, or any party related thereto regarding matters that do not relate to the SSP.
36. Other than as specifically set forth in the Stalking Horse Agreements or in a definitive agreement between the applicable Company and a Successful Bidder, the SSP does not, and will not be interpreted to, create any contractual or other legal relationship among the Companies, the Monitor, any Potential Bidder, Interested Party, Bidder, Qualified Bidder, the Successful Bidder, or any other party.
37. Subject to the terms of the Initial Order or other Court order and any entitlement of the Stalking Horse Bidder to a Stalking Horse Expense Reimbursement, participants in the SSP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any Final Bid, participation in the SSP, Auction, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a transaction.

SCHEDULE “A”- REFERENCES AND DEFINITIONS

In this document, unless the context otherwise required, words importing the singular include the plural and vice versa. Capitalized terms used herein and not otherwise defined shall have the meaning given to them in the Initial Order. Except where otherwise expressly provided, all dollar reference amounts are to Canadian dollars.

The terms below shall have the following meaning given to them:

- (a) “**Accepted Bid**” has the meaning given to it in paragraph 29;
- (b) “**Air Tindi Transaction**” means the transaction contemplated by the ATL Stalking Horse Agreement or any other transaction under the ATL Stalking Horse Agreement or any superior bid pursuant to the process set out herein;
- (c) “**Approval Motion**” means the Debtor’s motion or motions to be filed with the Court seeking one or more orders to approve the Accepted Bids;
- (d) “**ATL**” means Air Tindi Ltd.;
- (e) “**ATL Property**” has the meaning given to it in the Introduction;
- (f) “**ATL Shares**” means 1870 issued and outstanding Class A common shares in the capital of ATL, being 100% of the issued and outstanding shares of ATL;
- (g) “**ATL SSP**” means the sale and solicitation process to solicit bids for the ATL Property as set out herein;
- (h) “**ATL Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Northern Stalking Horse Bidder dated as of March 21, 2018, as the same may be amended, modified, improved or changed pursuant to the terms of this SSP, for the purchase and sale of the ATL Property;
- (i) “**Auction**” means an auction conducted pursuant to this SSP pursuant to the Auction Procedures;
- (j) “**Auction Location**” has the meaning given to it in paragraph 1 of the Auction Procedures;
- (k) “**Auction Procedures**” mean the auction procedures set out in Schedule “D” hereto;
- (l) “**Backup Bid**” has the meaning given to it in paragraph 13 of the Auction Procedures;

- (m) “**Backup Bidder**” has the meaning given to it in paragraph 13 of the Auction Procedures;
- (n) “**Bid Deadline**” has the meaning given to it in paragraph 19;
- (o) “**Bid Termination Date**” has the meaning given to it in paragraph 21(a);
- (p) “**Bidder**” has the meaning given to it in paragraph 12;
- (q) “**Business Day**” means any day, other than Saturday or Sunday, on which the principal commercial banks in Toronto are open for commercial banking business during normal banking hours;
- (r) “**CCAA**” has the meaning given to it in the Introduction;
- (s) “**CCAA Proceeding**” has the meaning given to it in the Introduction;
- (t) “**Clairvest**” means Clairvest Group Inc. and all of its affiliates including certain funds managed by Clairvest Group Inc. and Mr. G. John Krediet;
- (u) “**Closing Date Deadline**” has the meaning given to it in paragraph 21(r);
- (v) “**CIM**” means a confidential information memorandum to be prepared in connection with the SSP with respect to such Company’s Property and business;
- (w) “**Companies**” means the Debtor, Top Aces, Top Aces Holdco, GSH, ATL and DMS, and “**Company**” means any of them;
- (x) “**Court**” has the meaning given to it in the Introduction;
- (y) “**Credit Bid**” means a bid that provides for all or part of the consideration to be paid to be satisfied by way of a credit bid of secured indebtedness of the Debtor;
- (z) “**Data Rooms**” means the electronic data rooms to be established in connection with the SSP;
- (aa) “**Deposit**” has the meaning given to it in paragraph 21(c);
- (bb) “**Debtor**” has the meaning given to it in the Introduction;
- (cc) “**Discovery Mining Transaction**” means the transaction contemplated by the DMS Stalking Horse Agreement or any other transaction under the DMS Stalking Horse Agreement or any superior bid pursuant to the process set out herein;
- (dd) “**DMS**” means Discovery Mining Services Ltd.

- (ee) “**DMS Property**” has the meaning given to it in the Introduction;
- (ff) “**DMS Shares**” means 22,883,047 issued and outstanding Class A common shares in the capital of DMS, being 100% of the issued and outstanding shares of DMS;
- (gg) “**DMS SSP**” means the sale and solicitation process to solicit bids for the DMS Property as set out herein;
- (hh) “**DMS Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Northern Stalking Horse Bidder dated as of March 21, 2018 as the same may be amended, modified, improved or changed pursuant to the terms of this SSP for the purchase and sale of the DMS Property;
- (ii) “**Final Bid**” has the meaning given to it in paragraph 19;
- (jj) “**Final Bid Criteria**” has the meaning given to it in paragraph 20;
- (kk) “**Great Slave Transaction**” means the transaction contemplated by the GSH Stalking Horse Agreement or any other transaction under the GSH Stalking Horse Agreement or any superior bid pursuant to the process set out herein;
- (ll) “**GSH**” means Great Slave Helicopters Ltd.;
- (mm) “**GSH Property**” has the meaning given to it in the Introduction;
- (nn) “**GSH Shares**” means (i) 157,891,795 issued and outstanding Class A common shares; (ii) 1,111 issued and outstanding Class D common shares; (iii) 40,000,000 issued and outstanding Class E common shares; (iv) 7,624 issued and outstanding Class F Preferred shares; (v) 11,072 issued and outstanding Class G Preferred shares; and (vi) 14,400 issued and outstanding Class H Preferred shares, in each case of the capital of GSH, being 100% of the issued and outstanding shares of GSH;
- (oo) “**GSH SSP**” means the sale and solicitation process to solicit bids for the GSH Property as set out herein;
- (pp) “**GSH Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Northern Stalking Horse Bidder dated as of March 21, 2018 as the same may be amended, modified, improved or changed pursuant to the terms of this SSP for the purchase and sale of the GSH Property;
- (qq) “**Initial Order**” has the meaning given to it in the Introduction;
- (rr) “**Interested Party**” has the meaning given to it in paragraph 11;
- (ss) “**Potential Bidders**” has the meaning given to it in paragraph 6;

- (tt) “**Leading Bid**” has the meaning given to it in paragraph 11 of the Auction Procedures;
- (uu) “**Monitor**” has the meaning given to it in the Introduction;
- (vv) “**Monitor’s Website**” means the Monitor’s website at www.ksvadvisory.com/insolvency-cases/discovery-air.
- (ww) “**NDA**” a non-disclosure agreement to be used in connection with the solicitation of bids in this SSP;
- (xx) “**Northern SSP**” means collectively the GSH SSP, ATL SSP and DMS SSP;
- (yy) “**Northern Transactions**” means the Great Slave Transaction, Air Tindi Transaction and Discovery Mining Transaction;
- (zz) “**Northern Stalking Horse Bidder**” means 10671541 Canada Inc.;
- (aaa) “**Northern Stalking Horse Agreements**” means the GSH Stalking Horse Agreement, ATL Stalking Horse Agreement and DMS Stalking Horse Agreement;
- (bbb) “**Notice**” has the meaning given to it in paragraph 6;
- (ccc) “**Notification Date**” has the meaning given to it in paragraph 26;
- (ddd) “**Opportunity**” has the meaning given to it in paragraph 1;
- (eee) “**Overbid**” has the meaning given to it in paragraph 9 of the Auction Procedures;
- (fff) “**Property**” means the Top Aces Property, GSH Property, ATL Property and/or DMS Property as the context may require;
- (ggg) “**Purchase Agreements**” means the template forms of purchase agreements to be placed in the Data Rooms upon which Bidders are to make Sale Proposals;
- (hhh) “**Qualified Bid**” has the meaning given to it in paragraph 25;
- (iii) “**Qualified Bidder**” has the meaning given to it in paragraph 25;
- (jjj) “**Representatives**” means, with respect to a particular party, such party’s directors, officers, employees, partners, principals, advisors (including legal and financial advisors) and agents provided that with respect to the Companies, “Representatives” shall not include any individual who is an employee, director, officer, partner, principal or advisor to Clairvest.

- (kkk) “**Sale Proposal**” has the meaning given to it in paragraph 19;
- (lll) “**SSP**” means the sale and solicitation processes contemplated herein, including without limitation, the Top Aces SSP, GSH SSP, ATL SSP or DMS SSP, or any one of them as the context may require;
- (mmm) “**SSP Order**” has the meaning given to it in the Introduction;
- (nnn) “**Stalking Horse Agreements**” means, collectively, the Top Aces Stalking Horse Agreement and the Northern Stalking Horse Agreements.
- (ooo) “**Stalking Horse Bidder**” means the Top Aces Stalking Horse Bidder and the Northern Stalking Horse Bidder;
- (ppp) “**Starting Bid**” has the meaning given to it in paragraph 7 of the Auction Procedures;
- (qqq) “**Subsequent Bid**” has the meaning given to it in paragraph 4 of the Auction Procedures;
- (rrr) “**Successful Bidder**” has the meaning given to it in paragraph 29;
- (sss) “**Teaser Letter**” means the process summary letters to be prepared by the Monitor, in consultation with the Companies, in connection with the SSP;
- (ttt) “**Top Aces**” means Top Aces Inc. (formerly known as Discovery Air Defence Services Inc.);
- (uuu) “**Top Aces Holdco**” means Top Aces Holdings Inc.;
- (vvv) “**Top Aces Holdco Shares**” means 253.83602 issued and outstanding Class A common shares in the capital of Top Aces Holdco, being 100% of the issued and outstanding shares of Top Aces Holdco owned by the Debtor;
- (www) “**Top Aces Property**” has the meaning given to it in the Introduction;
- (xxx) “**Top Aces SSP**” means the sale and solicitation process to solicit bids for the Top Aces Property as set out herein;
- (yyy) “**Top Aces Stalking Horse Agreement**” means the stalking horse agreement between the Debtor and the Top Aces Stalking Horse Bidder dated as of March 21, 2018 as the same may be amended, modified, improved or changed pursuant to the terms of this SSP for the purchase and sale of the Top Aces Property;
- (zzz) “**Top Aces Stalking Horse Bidder**” means, collectively, CEP IV Co-Investment Limited Partnership, Clairvest Equity Partners IV Limited Partnership, Clairvest

Equity Partnership IV-A Limited Partnership, DA Holdings Limited Partnership and G. John Krediet.

- (aaaa) “**Top Aces Transaction**” means the transaction contemplated by the Top Aces Stalking Horse Agreement or any other transaction under the Top Aces Stalking Horse Agreement or any superior bid pursuant to the process set out herein;
- (bbbb) “**Transactions**” means the Top Aces Transaction, Great Slave Transaction, Air Tindi Transaction and/or Discovery Mining Transaction.

SCHEDULE “B”

Acknowledgement of the Sale and Solicitation Process

TO: Discovery Air Inc.

AND TO: KSV Kofman Inc. in its capacity as monitor in the CCAA proceedings of Discovery Air Inc.

RE: Sale and Solicitation Process in respect of the following Transaction(s) [*check all that apply*]:

- Top Aces Transaction
 - Great Slave Transaction
 - Air Tindi Transaction
 - Discovery Mining Transaction
-

The undersigned hereby acknowledges receipt of the sale and solicitation process approved by the Order of the Honourable Justice Hainey of the Ontario Superior Court of Justice (Commercial List) dated April 4, 2018 (the “**SSP**”) and that compliance with the terms and provisions of the SSP is required in order to participate in the SSP and for any Final Bid (as defined in the SSP) to be considered by the Monitor.

This ____ day of _____, 2018.

[Insert Interested Party name]

Per:

Email Address:

SCHEDULE “C” – ADDRESSES FOR NOTICES**KSV Kofman Inc.****Court-Appointed Monitor in Discovery Air Inc.’s CCAA proceedings**

150 King Street West

Suite 2308, Box 42

Toronto ON M5H 1J9

Attention: Bobby Kofman & David Sieradzki

Email: bkofman@ksvadvisory.com/ dsieradzki@ksvadvisory.com**-with copies to-****Goldman Sloan Nash & Haber LLP****Lawyers for the Debtor**

1600-480 University Avenue

Toronto, ON M5G 1V2

Attention: Mario Forte and Jennifer Stam

Email: forte@gsnh.com/ stam@gsnh.com**Goodmans LLP****Lawyers for the Monitor**

Bay Adelaide Centre

333 Bay Street, Suite 3400

Toronto ON M5H 2S7

Attention: L. Joseph Latham and Bradley Wiffen

Email: jlatham@goodmans.ca / bwiffen@goodmans.ca

SCHEDULE “D” - AUCTION PROCEDURES

1. The Auctions, if any, shall be conducted by the Monitor, at the offices of Goodmans LLP, 333 Bay Street, Suite 3400, Toronto, ON, M5H 2S7 or such other location as the Monitor may choose in advance of the commencement of an Auction (the “**Auction Location**”) commencing at 10:00 a.m. (Toronto time) on the following dates:

- Top Aces SSP: May 21, 2018
- Northern SSP: June 14, 2018

No later than 24 hours prior to the scheduled date of the Auction, the Monitor shall communicate any change in the Auction Location from the offices of Goodmans LLP to another location to all applicable Qualified Bidders in writing (including by e-mail) and post notice of such change in location at the offices of Goodmans LLP and on the Monitor’s Website.

2. To the extent that the Monitor is to conduct multiple Auctions, it may choose to conduct such Auctions concurrently or consecutively in its discretion. Any delay or postponement of the commencement of an Auction shall be communicated in accordance with paragraph 27 of the SSP.
3. Unless otherwise ordered by the Court or consented to in writing by the Monitor, only the authorized representatives and professional advisors of the Monitor, the Companies and the applicable Qualified Bidders (including, for certainty, the applicable Stalking Horse Bidder) invited to an Auction shall be eligible to attend an Auction and make any Subsequent Bid (as defined below) at an Auction. Administrative personnel, including without limitation, a court reporter or similar official, will also attend an Auction at the invitation of the Monitor.
4. At an Auction, all applicable Qualified Bidders (including, for certainty, a Stalking Horse Bidder) shall be permitted to increase their Qualified Bids in accordance with the procedures set forth herein (each, a “**Subsequent Bid**”). All Subsequent Bids presented during an Auction shall be made and received in one room on an open basis. All Qualified Bidders participating in an Auction shall be entitled to be present for all bidding with the understanding that the true identity of each participating Qualified Bidder shall be fully disclosed to all other Qualified Bidders and that all material terms of each Subsequent Bid presented during an Auction will be fully disclosed to all Qualified Bidders throughout an Auction.
5. In order to participate in an Auction and submit a Subsequent Bid(s), all Qualified Bidders must have at least one individual representative with authority to bind

such Qualified Bidder present in person at the Auction Location during the Auction.

6. All proceedings at an Auction shall be transcribed by a person(s) designated by the Monitor.
7. At least two (2) days prior to an Auction, the Monitor will advise all Qualified Bidders for the applicable SSP which of the Qualified Bids (including a Stalking Horse Agreement) the Monitor has determined in its reasonable business judgment, after consultation with its advisors and the Companies, constitutes the superior Qualified Bid (the “**Starting Bid**”).
8. The Starting Bid will be deemed to be the first bid at the Auction and bidding at the Auction will continue, in one or more rounds of bidding, so long as during each round, at least one Subsequent Bid is submitted by a Qualified Bidder that, in the reasonable business judgement of the Monitor (i) improves upon the then Leading Bid (as herein defined) and (ii) meets the Overbid requirement.
9. The first round of bidding at an Auction in respect of the following processes and transactions shall commence in increments to be established by the Monitor and communicated to all Qualified Bidders no later than 2 days prior to the commencement of the applicable Auction (each an “**Overbid**”). The Monitor in its sole discretion shall be entitled to change the amount of the applicable Overbid at the commencement of or in subsequent rounds of bidding at the Auction.
10. Credit Bids will be permitted at an Auction, provided that the validity of such secured indebtedness has been confirmed by the Monitor in its sole satisfaction prior to commencement of such Auction. Bidding shall continue until such time as the superior bid in any Auction is determined by the Monitor, in its reasonable business judgment, after consultation with its advisors. The Monitor, in its sole discretion, shall have the right to modify the bidding increments at the commencement of any round of the Auction. Insofar as a Subsequent Bid (including any Subsequent Bid by a Stalking Horse Bidder) includes a Credit Bid or the assumption of liabilities, the Monitor shall determine the value of the consideration provided by such Subsequent Bid presented at the Auction, and in making such determination shall take into account the amount and priority of any Credit Bid and any liabilities to be assumed by a Qualified Bidder.
11. After the first round of bidding and between each subsequent round of bidding, the Monitor shall announce the Subsequent Bid that the Monitor has determined in its reasonable business judgment, after consultation with its advisors, to be the superior bid (the “**Leading Bid**”). At the commencement of the Auction, the Starting Bid shall be the Leading Bid. A round of bidding will conclude after each participating Qualified Bidder has had an opportunity to submit a Subsequent Bid with full knowledge of the Leading Bid.

12. If no Qualified Bidder submits a Subsequent Bid (as determined by the Monitor) after a period of 30 minutes following the Monitor's acceptance of a Subsequent Bid as the Leading Bid, and provided that the Monitor chooses not to adjourn the subject Auction, the Leading Bid shall be the Accepted Bid, whereupon such Auction will be concluded. The Monitor shall have the right, but not the obligation, to extend the time period to submit a Subsequent Bid.
13. If an Auction is conducted, the Monitor shall determine, in its reasonable business judgment after consultation with its advisors, the next best Qualified Bid after the Accepted Bid (the "**Backup Bid**"). The Qualified Bidder that has submitted the Backup Bid will be designated as the "**Backup Bidder**". The Backup Bidder shall be required to keep its last submitted Subsequent Bid, or if it has not made a Subsequent Bid, its Qualified Bid (the "**Backup Bid**") open and irrevocable until the closing of the transaction with the Successful Bidder pursuant to the terms of the SSP.
14. At or during an Auction, the Monitor, after consultation with its advisors, may employ and announce additional procedural rules that are fair and reasonable under the circumstances for conducting such Auction; provided, however, that such rules are (a) not inconsistent with the SSP or these Auction Procedures, the CCAA, the SSP Order, or any other order of the Court entered in connection with the SSP or Auction Procedures and (b) disclosed to each Qualified Bidder at or during the Auction.

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

Court File No.:

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF DISCOVERY AIR INC. (the "APPLICANT")

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

Proceeding commenced at Toronto

SSP APPROVAL ORDER

GOLDMAN SLOAN NASH & HABER LLP
480 University Avenue, Suite 1600
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Mario Forte (LSUC#: 27293F)
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Lawyers for the Applicant

TAB 4

Court File No. CV-18-594380-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	WEDNESDAY, THE 4 th
)	
JUSTICE HAINEY	)	DAY OF APRIL, 2018

IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF DISCOVERY AIR INC.

APPLICANT

ORDER
(Stay Extension)

THIS MOTION, made by Discovery Air Inc. (the “**Applicant**”), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) for an order, *inter alia*, approving a sale and solicitation process and certain related relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicant, the affidavit of Paul Bernards sworn March [27], 2018, and the Exhibits thereto (the “**Bernards Affidavit**”), the First Report of KSV Kofman Inc., in its capacity as Monitor (the “**Monitor**”) dated March ■, 2018, filed, and on hearing the submissions of counsel for the Applicant, the Monitor and Clairvest Group Inc., no one else appearing although duly served as appears from the Affidavit of Service of ■ sworn ■, 2018, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

STAY EXTENSION

2. **THIS COURT ORDERS** that the Stay Period (as defined in paragraph 15 of the Initial Order made in these proceedings on March 21, 2018) be and is hereby extended to and including June 29, 2018.

GENERAL

3. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, or any other jurisdiction, to give effect to this Order and to assist the Applicant, the Monitor 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 orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

4. **THIS COURT ORDERS** that each of the Applicant and the Monitor 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 Monitor 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.

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

Court File No.:

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF DISCOVERY AIR INC. (the "APPLICANT")

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

Proceeding commenced at Toronto

**ORDER
(Stay Extension)**

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Lawyers for the Applicant

IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF DISCOVERY AIR INC.

Court File No: CV-18-594380-00CL

ONTARIO

**SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced TORONTO

MOTION RECORD

**(SSP Approval Order and Stay Extension)
(returnable April 4, 2018)**

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