

ACTION NO.: 0801-01618

IN THE COURT OF QUEEN'S BENCH OF ALBERTA, ^{hereby certify this to be a true copy of}
JUDICIAL DISTRICT OF CALGARY ^{the original} Order

Dated this 18 day of Aug., 2008

IN THE MATTER OF THE COMPANIES' CREDITORS' Dampier
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, as amended ^{for Clerk of the Court}

AND IN THE MATTER OF PIPER RESOURCES LTD.

AND IN THE MATTER OF THE RECEIVERSHIP OF PIPER RESOURCES LTD.

BEFORE THE HONOURABLE)	At the Calgary Courts Centre in the City
MR. JUSTICE A. D. MACLEOD)	of Calgary, in the Province of Alberta,
IN CHAMBERS)	on Monday, the 18th day of August, 2008.
)	

VESTING ORDER

UPON THE APPLICATION of Deloitte & Touche Inc., Receiver and Manager and Interim Receiver (the "Receiver") of Piper Resources Ltd. ("Piper"); AND UPON READING the First Report of the Receiver; AND UPON HEARING Counsel for the Receiver, Counsel for Matco Capital Ltd. ("Matco") and counsel for other interested parties;

IT IS HEREBY ORDERED THAT:

1. Service of the Notice of Motion with respect to this Application is declared to be good and sufficient.
2. All capitalized terms in this Order, which have not been specifically defined herein, shall have the meaning attributed to them as defined in the Purchase Agreement.

Approval of Agreements and Vesting of Clear Title

3. The Agreement of Purchase and Sale entered into between the Receiver and Glenogle Energy Inc. ("Glenogle") on August 14, 2008 (the "Purchase Agreement") is hereby approved and accepted.

4. All right, title and interest in and to the Assets (as defined in the Purchase Agreement, hereinafter the "Assets") shall, upon the closing of the transaction provided for in the Purchase Agreement, be vested in the name of Glenogle, free and clear of all Claims (as defined in the Purchase Agreement) and all other encumbrances, security interests, security notices, statements of claim, mortgages, charges, liens (including, without limitation, builders' liens), and other interests, whatsoever, howsoever, and whensoever created or arising, whether absolute or contingent, fixed or floating, perfected or not, registered or which may be registered, by or through Piper in the Assets, now or hereafter, including but not limited to:

- (a) any and all Claims, rights or interests granted by Piper to Bering Exploration Company, ULC or Vitus Oil and Gas, ULC pursuant to the August 10, 2007 Farmin Agreement entered into between those parties, as amended, with respect to the lands legally described as:
 - (i) Section 9-78-13-W6M;
 - (ii) Section 10-71-11-W6M;
 - (iii) Section 34-71-11-W6M; and
 - (iv) Section 6-73-12-W6;
- (b) Any and all Claims, rights or interests granted by Piper to Hanna Oil & Gas Company-Canada ULC, Firefly Resources Ltd. or Navarone Energy Corporation pursuant to the March 25, 2008 Seismic Review Option Agreement entered into between Piper and those parties, with respect to the lands legally described as:
 - (i) Sections 23, 26 and 27-64-25-W5M;
 - (ii) Sections 29 and 32-64-25-W4M; and
 - (iii) Sections 33 and 34-64-25-W5M

except for (as against the Assets only) the Permitted Encumbrances (as defined in the Purchase Agreement, hereinafter the "Permitted Encumbrances"). The Claims that are discharged by this paragraph are referred to collectively hereinafter as the "Discharged Claims".

Registration of Glenogle's Title to the Assets

5. The Receiver is authorized to deliver to Glenogle at the closing of the Purchase Agreement one or more general conveyances and/or specific conveyances signed by the

Receiver, and upon the filing of this Order, together with any applicable registration fees, all appropriate government authorities are hereby directed to register all transfers or conveyances, as may be required to convey clear title to the Assets to Glenogle, except for Permitted Encumbrances. In relation to the Assets situated in the Province of Alberta, and for greater certainty:

- (a) The Registrars of the North and South Alberta Land Registration Districts shall, notwithstanding s. 191(1) of the *Land Titles Act* of Alberta, cancel and discharge all Discharged Claims registered against the interests of Piper in respect of the freehold Assets of Piper located in the Province of Alberta. For further certainty, the Registrars shall not cancel and discharge the registration of any Discharged Claims registered against the estates or interests other than the estate or interest of Piper;
- (b) The Minister of Energy for Alberta, acting pursuant to the *Mines and Minerals Act*, R.S.A. 1980 c. M-15, shall cancel and discharge all Discharged Claims registered against the interests of Piper in respect of the Assets and, without limiting the generality hereof, the Minister shall cancel and discharge all security notices and all assignments under s. 426 (formerly s. 177) of the *Bank Act* (Canada). For further certainty, the Minister of Energy shall not cancel and discharge the registration of any Discharged Claims registered against estates or interests other than the estate or interest of Piper; and
- (c) The Minister of Energy for Alberta acting pursuant to the *Mines and Minerals Act*, R.S.A. 1980 c. M-15 shall record that all Discharged Claims in the nature of builders' liens shall be cancelled and discharged as against the interest of Piper in and to the Assets located in the Province of Alberta. For further certainty, the Minister of Energy shall not cancel and discharge the registration of such builders' liens registered against estates or interests other than the estate or interest of Piper.

Extinguishment of Equity of Redemption

6. All the interest, right, title, estate and equity of redemption of Piper and any persons claiming by, through or under Piper in and to the Assets shall, upon the closing of the Purchase Agreement, be extinguished.

Holdback

7. From Piper's cash, the Receiver shall hold back funds in the amount of \$309,000.00 (the "Holdback Funds") until the resolution of the property claim advanced by Lexington Oil and Gas Co. ("Lexington") and Wycan Inc. ("Wycan") in their Notice of Motion filed on July 11, 2008 in

this Action (the "Property Claims"), subject to further Order of this Court on notice to Lexington and Wycon, and subject to the agreement of the Receiver, Lexington and Wycon. The Holdback Funds shall stand solely as security for the Property Claims and no creditor or stakeholder of Piper other than Lexington and Wycon shall have any claim or ability to claim against the Holdback Funds. The making of this Order and the designation and holding of the Holdback Funds shall not affect or prejudice in any way the substantive claims or positions of any parties with respect to the Property Claims.

Aid of the Courts in Other Provinces

8. Pursuant to the Initial Order dated February 15, 2008, and this Order, this Honourable Court requests that any Court in any province or territory in Canada in which the Assets or the Current Assets are located, and more particularly the British Columbia Supreme Court and the Saskatchewan Court of Queen's Bench, act in aid of and be complementary to this Court in carrying out the terms of this Order.


Miscellaneous Provisions

9. The Receiver and Glenogle are hereby authorized and given leave to apply to this Honourable Court for any Order that may be required or necessary to give effect to the terms of this Order and give effect to the terms of the Purchase Agreement.

10. Service of this Order may be effected by fax transmission on the parties who appeared at the hearing of this application, and such service shall be deemed to be good and sufficient.

"A.D. Macleod"
J.C.Q.B.A.

Entered this 18 day of August, 2008.

A. Brand 

Clerk of the Court

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CLERK OF THE COURT

AUG 18 2008

CALGARY, ALBERTA