

Do All Industries Ltd. and P&O Assets Ltd. (In Receivership)

Invitation for Offers



Sale Information Package

Alvarez & Marsal Canada Inc.
The Court-appointed Receiver

March 14, 2014



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Notice to Reader

Notice to Reader

Alvarez & Marsal Canada Inc. (“**A&M**”) was appointed as Court-appointed receiver (the “**Receiver**”), pursuant to an order of the Court of the Queen’s Bench of Alberta effective February 6, 2014 of all of the current and future assets of Do All Industries Ltd. (“Do All”) and P&O Assets Ltd. (“P & O”) (hereinafter collectively referred to as the “**Company**”).

The Receiver has been authorized to solicit Offers for the purchase of all real estate, equipment and inventory (the “**Assets**”) of the Company located in Estevan, Saskatchewan and Nisku, Alberta.

This document has been prepared solely for the convenience of potential purchasers to assist them in deciding whether they wish to submit an Offer to purchase some or all of the Assets.

A&M expressly advises, and the prospective Purchaser acknowledges, that the prospective Purchaser will not and could not reasonably rely on this information in arriving at a decision to purchase part or all of the Assets listed herein. A&M has not independently verified any of the information contained herein and makes no express or implied representation or warranty with respect to the accuracy or completeness of such information. Nothing contained in this document is, or should be relied upon as, a representation as to the future potential for the Assets. Each prospective Purchaser must rely upon its own inspection and investigation in order to satisfy itself as to title, encumbrances description, fitness for purpose, quantity, condition, existence, quality or value of any other matter whatsoever relating to the Assets to be purchased.

The information contained herein has been prepared for the sole purpose of presentation to prospective Purchasers of the Assets and is not to be reproduced or used for any other purpose or disclosed to third parties without the express written consent of A&M.



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Introduction

- The Company's headquarters and facilities are located in Nisku, Alberta with a significant operation also in Estevan, Saskatchewan. Through these locations, Do All provided oilfield fabrication and manufacturing services to the oil and gas industry in both Canada and the USA. P & O owns the land and buildings.
- The Company's products and services included metal fabricating, welding and machining, hydraulic sales and services, electrical services, equipment repair and recertification, sandblasting and painting, engineering and drafting, drilling rig rental equipment and the manufacturing of complete drilling rig packages.
- Do All has a significant amount of heavy metal manufacturing, equipment, tools and materials located at both the Nisku and Estevan locations. P & O has fee simple ownership interest in various commercial land and buildings, all of which are utilized by Do All.
- The Receiver is seeking Offers to purchase any or all of the Assets, the details of which are set out in this Sale Information Package. The Assets are split into parcels to aid the process of Offers.
- Further details on the Parcels are set out in section 4 (Real Estate Asset Parcels) and section 5 (Equipment and Inventory Parcels) with a complete listing of all Equipment and Inventory set out in the Appendices.



Overview of Locations

KEY:

-  Main locations
 - Nisku, AB
 - Estevan, SK

-  Locations with real estate



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Sale Procedures

Basis of Sale

A&M, in its capacity as Receiver, will consider Offers to purchase, on an “as is, where is” basis, the Company’s right, title and interest in any or all of the Assets set out in the Parcel descriptions summarized in sections 4 and 5, and detailed in the Appendices. The sale of the Assets will be subject to the Terms and Conditions of Sale attached as Appendix A.

Sale Process

Advertisements have been placed in leading regional and national publications during the week ending March 15, 2014. Potentially interested parties identified by the Receiver and parties who have directly expressed interest will be contacted and advised the Sale Information Package is available. Interested parties wishing to receive detailed information on the Assets available for sale will be provided the link to the Sale Information Package and will be provided with access to view the Assets for sale.

Assets Parcels

The Receiver has divided the Assets into multiple parcels depending on the nature and location of the Assets. The Receiver is seeking Offers for each parcel described in this information package. Prospective purchasers are welcome to Offer on an en bloc or individual parcel basis. If offer is by en bloc an allocation must still be made to individual parcels. Parcels will not be split.

Inspection of Assets

The Assets are available for inspection by appointment from 9 am to 6 pm during the following preliminary dates:

- Nisku– Tuesday March 18, 2014 to Friday March 28, 2014
- Estevan- Tuesday March 18, 2014 to Friday March 28, 2014

To make an appointment to inspect the Assets please contact one of the A&M personnel listed in section 6 on or before the dates set out above.



Deadline and Format for Offers

All Offers will be given consideration, Offers should be submitted substantially in accordance with:

- (i) the Terms and Conditions of Sale attached in Appendix A; and
- (ii) in the form of offer attached in Appendix B (“Offer”)

and be received on or before **5:00 p.m. mountain time Friday April 4, 2014 at the office of Alvarez & Marsal Canada, Bow Valley Square 1, Suite 570, 202-6th Avenue SW, Calgary, AB, T2P 2R9, or such other date and time as the receiver may advise or allows.**

Please note that all Offers must be accompanied by a 10% deposit as set out in the Terms and Conditions of Sale.

Access

Under no circumstances shall prospective Purchasers and/or interested parties view the Assets and/or enter onto the lands, premises or operating sites without the consent of A&M.

Notice to Prospective Purchasers

Prospective Purchasers are cautioned that A&M reserves the right to sell any of the Assets or group of Assets at any time as determined in A&M’s sole discretion, including prior to April 4, 2014, and is under no obligation to notify prospective Purchasers if such occurs. In addition, the highest Offer may not necessarily be accepted, nor will any of the Offers submitted necessarily be accepted. Any Offer which is accepted is subject to A&M and any prospective Purchaser entering into a formal agreement of purchase and sale on the Terms and Conditions in Appendix and may be subject to the approval of and/or an Order of the Court of the Queen’s Bench of Alberta.

Contacts at A&M

All contact by prospective Purchasers is to be made directly with the designated representatives of A&M noted in section 6.



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Real Estate Asset Parcels

Nisku

- The real estate assets for sale at Nisku comprise:
 - **Parcel A** – Two industrial shops and two story office space
 - **Parcel B** –Industrial shop, office and yard.

Estevan

- The real estate assets for sale at Estevan comprise:
 - **Parcel C** – Industrial shop and office
 - **Parcel D** – 3 light industrial buildings and an office trailer
 - **Parcel E** – Industrial shop and office
 - **Parcel F** – 2 Industrial shops and office
 - **Parcel G** – Industrial shop and office
 - **Parcel H** – Storage yard
 - **Parcel I** – Hangar building and lease

- **Parcel A – 703 – 21 Avenue Nisku, AB**

- Plan 7621498, Block 1, Lot 4 and Plan 8121472, Block 1, Lots 7 & 8 (4.62 Acres)
- Permitted encumbrances - none

- **Lot 4**

- 2.31 Acres
- Includes a steel frame industrial shop with attached 2-storey concrete block office with a floor area of 21,360 sq. ft. and office mezzanine of 2400 sq. ft., constructed in the 1970's
- Industrial shop used for metal fabrication contains four 15 ton cranes and two 5 ton cranes

- **Lot 7 & 8**

- 2.31 Acres
- Includes a concrete block industrial shops with a floor area of 12,000 sq. ft., constructed in the 1970's
- Industrial shop used for metal fabrication
- Shop contains two 5 ton cranes and one 10 ton crane
- Zoning - IND-Industrial District



- **Parcel B – 706-19 Avenue Nisku, AB**

- Permitted encumbrances - none
- Plan 7520436, Block 2, Lot 12
- 2.52 Acres
- Consists of a steel frame industrial shop with machine shop and office portion. Main floor area of 12,300 sq. ft.
- Shop contains 5 ton, 7 ton and 10 ton cranes
- Zoning – IND-Industrial zoning



- **Parcel C – Devonian Street R.M. Of Estevan No. 5, SK**

- Block E, Plan 101888950
- Permitted encumbrances – Interest # 150167022 (CNV Easement), Interest # 150167033 (CNV Easement), Interest # 150167047 (CNV Easement)
- 13.66 Acres
- Consists of newly constructed industrial shop with office portion. Floor area includes 16,104 sq. ft. + 3,960 sq. ft. of mezzanine area. Metal framed building with three 10 ton cranes
- Zoning – Highway Commercial and Light Industrial

- **Parcel D – Highway no. 39 R.M of Estevan No. 5, SK**

- Block A, Plan 101176703
- Permitted encumbrances – Interest # 148934582 (CNV Easement), Interest # 148934593 (CNV Easement), Interest # 148934605 (CNV Easement), Interest # 148934616 (Power Corporation Act Easement s.23)
- 10 Acres
- Consists of office trailer, sandblasting shop, storage & overflow paint shop, and four bay shop (three bays designed as paint bays)

Zoning – Highway commercial-light industrial



- **Parcel E – 521 - 6th street Estevan, SK**

- Lots 11 & 12, Block 306, Plan 80R43931
- Permitted encumbrances – Interest # 148934728 (Easement Mutual, Dominant), Interest # 148934739 (Restrictive Covenant – Mutual, Dominant), Interest # 148934740 (Power Corporation Act Easement s.23), Interest # 1498112555 (Power Corporation Act Easement s. 23)
- 0.60 Acres
- Consists of steel frame shop and small office. Built in 2004 with an approximate area of 10,000 sq. ft. Shop includes a ten ton crane
- Zoning – M1 – Light industrial

- **Parcel F – 501 6th street Estevan, SK**

- Lot 13, Block 306, Plan 80R43931
- Permitted encumbrances – Interest # 148934773 (CNV Easement)
- 0.60 Acres
- Consists of two industrial shops, a main floor office and mezzanine office. Shop and office portion are 7,068 sq. ft.
- Zoning – M1- Light industrial



- **Parcel G- – 349 - 6th street Estevan, SK**

- Lot 28, Block 306, Plan 101858643
- Permitted encumbrances – Interest # 148934627 (CNV easement), Interest # 148934638 (Planning and Development Act-Interest Protecting Agreement S-215)
- 1.04 Acres
- Consists of steel frame industrial shop and offices. Built in 2005 and 2006 with an area of 8096 sq. ft. Shop includes two 5 ton cranes.
- Zoning - M1 – Light Industrial

- **Parcel H – 200 Block of 6th street, Estevan, SK**

- Lots 16 & 17, Block 306, Plan 80R43931
- Permitted encumbrances – Interest # 148934672 (CNV Easement), Interest # 148934683 (CNV Easement)
- 0.52 Acres
- Vacant land used for storage of rig materials
- Zoning – M1- Light industrial



- **Parcel I – Hangar building, Lot 2 Estevan Airport**

- Portion of SW of 13, Township 3, Range 8, West of 2nd Meridian (Leased Land)
- Hangar building built in 2010 floor area is 5,040 sq. ft.
- The annual lease is \$1,533 per year for a 10,990 sq. ft. lot.
- Copy of Lease is available on website under “Other Information”
- Zoning – Highway commercial-Light industrial



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Equipment & Inventory Parcels

Nisku

- The equipment and inventory for sale at the Nisku location comprise of:
 - **Parcel J** – Rolling stock including cars, trucks and trailers Located in Nisku. (App C1)
 - **Parcel K** – Heavy equipment including forklifts and loaders located in Nisku. (App C2)
 - **Parcel L** – Shop assets located in buildings of Parcel A (App C3)
 - **Parcel M** – Shop Assets located in building of Parcel B (App C4)
 - **Parcel N** – Inventory and C-cans located in Nisku (App C5)

Further information on each Parcel is set out in Appendix C & D.

Estevan

- The equipment & inventory for sale at the Estevan location comprise of:
 - **Parcel O** – Rolling stock including cars, trucks and trailers Located in Estevan. (App D1)
 - **Parcel P** – Heavy equipment including forklifts and loaders located in Estevan. (App D2)
 - **Parcel Q** – Shop assets located in buildings of Parcel C (App D3)
 - **Parcel R** – Shop assets located in buildings of Parcel D (App D4)
 - **Parcel S** – Shop assets located in buildings of Parcel E (App D5)
 - **Parcel T** – Shop assets located in buildings of Parcel F (App D6)
 - **Parcel U** - Shop assets located in buildings of Parcel G (App D7)
 - **Parcel V** - Shop assets located in buildings of Parcel G (App D8)
 - **Parcel W** - Inventory and C-cans located in Estevan (App D9)

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Contact Information

Contact Information

A&M Personnel

- For further information on the assets or the sales process or to schedule a viewing please contact one of the following A&M personnel.

Alvarez & Marsal Canada Inc.
Bow Valley Square 1
Suite 570, 202 – 6th Avenue SW
Calgary, AB T2P 2R9
Facsimile: +1 (403) 538 7551



Nisku and Estevan Locations

Jill Struby CA
Associate
(403) 538-7522
jstrueby@alvarezandmarsal.com

Estevan Location

Ray Wilk
(780) 498-0826
raw1@shaw.ca

Nisku Location

Kirsten Elgert
(780) 974-0158
kirstenelgert@gmail.com



Appendices

Appendix A

Terms and
Conditions of
Sale

1. Alvarez and Marsal Canada Inc. (“**A&M**” or “**Receiver**”), in its capacity as Receiver of Do All and P & O (collectively the “Company”) will consider written Offers to purchase all of the Company’s right, title and interest, Assets as set out in this Sale Information Package dated March 14, 2014.
2. Acceptance of any Offer received by A&M shall be expressly conditional on obtaining the approval of the Court of the Queen’s Bench of Alberta (or the superior court of any other Province or Territory, if required), to convey title to the Assets in accordance with these terms and conditions in a form and content satisfactory to A&M. Notwithstanding anything contained herein to the contrary, no Offer shall be binding on A&M unless and until such court approval has been obtained.
3. If any Offer is accepted by the Receiver and approved by the Court in accordance with these terms and conditions, then notification of such acceptance shall be transmitted to the Purchaser by notice in writing send to the Purchaser at the address set forth in the Purchaser's offer, such notice to be given by electronic transmission or any such other form.
4. Completion of the purchase and sale of the Assets will take place 10 Business Days after Court Order approving the sale (the “Closing Date”). The term “Business Day” shall mean a day which is not a Saturday, Sunday or statutory holiday or such other date as agreed between the parties.
5. The completion of the purchase and sale shall take place on the Closing Date at such place and time as A&M may advise the Purchaser in writing.



6. At the Closing Date, provided that the purchase price together with all applicable taxes have been paid, A&M shall execute and deliver to the Purchaser all such transfers, deeds, and other documents as may be reasonably necessary to convey the Company's interests in the Assets to the Purchaser in exchange for payment of the purchase price. Any such transfers, deeds, and other documents shall be in a form and content satisfactory to A&M (acting reasonably) and shall not contain any covenant or representation other than as specifically provided in these terms and conditions.

7. All offers must be received by the A&M designated representative at the aforementioned address by 5:00pm Mountain time, Friday, April 04, 2014, or such other date and time as may be advised or permitted by the receiver.

8. By submitting an Offer, Purchaser acknowledges that it has inspected the parcel of Assets and that the parcel of Assets is sold on an "as is, where is" basis at the time of Closing and that no representation, warranty or condition is expressed or implied as to title, description, fitness for purpose, merchantability, quantity, condition, cost, or quality thereof or compliance of the Lands, Buildings or any parcel of assets with environmental laws and requirements, or in respect of any other matter or thing whatsoever. Without limitation, all parcels are specifically offered as they exist on Closing and with no adjustments to be allowed to the Purchaser for changes in conditions, qualities or quantities of such parcels from the date hereof to the Closing Date. Each purchaser acknowledges that A&M is not required to inspect or count, or provide any inspection or counting of the parcel of Assets or any part thereof and each Purchaser shall be deemed to have relied entirely on its own inspection and investigation including an independent investigation by the Purchaser of current and past uses of the Lands, Buildings or any parcel of Assets to satisfy the Purchaser as to the effects of any environmental laws, regulations or requirements upon the Real Estate or any parcel of assets or the transfer to the Purchaser of the Real Estate or any Parcel of Assets. It shall be the Purchaser's sole responsibility to obtain, at its own expense, any consent to such transfer and any further documents or assurances which are necessary or desirable in the circumstances, with the exception of obtaining any court orders.

9. A&M shall not be required to produce any tax certificate, clearance certificate, abstract of title or documents or copies thereof or any evidence as to title, other than those in its actual possession.



10. A&M shall remain in possession of the Parcel of Assets until the Purchase Price thereof has been paid in full.
11. All Offers must include a fully completed offer (Appendix B). Supplemental information must be in written form, signed by a duly authorized officer(s) of the entity making the Offer. Offers received that are not in the attached form or which amend the attached form may, at the sole discretion of A&M, be rejected.
12. All Offers must be accompanied by a bank draft or certified cheque payable to “Alvarez and Marsal Canada Inc. – In Trust” in an amount equal to not less than 10% of the gross purchase price offered for the Assets. If the proposal is accepted, this draft or cheque shall be deemed a non-refundable cash deposit and shall be forfeited to A&M on account of liquidated damages if the contemplated sale is not completed by the successful party (“Purchaser”) by reason of the Purchaser’s default. Acceptance of any Offer is subject to A&M and the Purchaser entering into an Agreement of Purchase and Sale on terms and in form acceptable to A&M.
13. In consideration of A&M making available to purchasers these Terms and Conditions of Sale, any other information, and the opportunity of inspection, and/or in consideration of receiving and considering any proposal to be submitted hereunder, each purchaser agrees that its Offer is irrevocable and cannot be retracted, withdrawn, varied or countermanded prior to acceptance or rejection thereof.
14. In the event that some of the offers are substantially in the same terms and/or amounts as determined by A&M, A&M may, in its sole discretion, call upon those purchasers to re-submit to A&M for its final consideration. Each purchaser is in agreement that the re-submission contemplated under this section is a fair and reasonable manner of proceeding in the case of Offers in substantially the same terms and/or amounts.
15. Offers must be made for all or any parcel of assets. Offers submitted for more than one parcel must specifically allocate a separate price for each parcel and will be considered as a separate offer for each parcel unless otherwise indicated as an En Bloc Offer.

16. Offers to liquidate the fixed assets must contain a net minimum guaranteed return to A&M and will be subject to the liquidator and the Receiver entering into an auction services agreement on terms satisfactory to the Receiver.
17. Cheques or drafts accompanying Offers that are not accepted by A&M shall be returned to the party by prepaid registered mail, addressed to the party at the address set forth in its proposal on or before **May 31, 2014**, or such other date and time as may be advised by the Receiver, without interest thereon.
18. The balance of the purchase price, subject to normal adjustments, shall be paid on or before the Closing Date.
19. The Purchaser shall pay to A&M on Closing, in addition to the balance of the purchase price, all applicable federal, provincial and states taxes, unless the applicable exemption certificates are presented to A&M on or before the Closing Date.
20. The Purchaser shall assume, at its cost, complete responsibility for compliance with all municipal, provincial and federal laws insofar as the same apply to the purchased property and the use thereof by the Purchaser.
21. The highest or any Offer shall not necessarily be accepted. Each Purchaser agrees that A&M shall be entitled to accept whichever offer, if any, A&M, in its sole unrestricted discretion, considers to be the most advantageous. Each Purchaser further agrees that A&M shall have the unfettered right to discuss and clarify any Offer with the submitting Purchaser.
22. A&M reserves the right to amend or terminate the Offer process at any time.



23. The obligation of A&M to complete any Agreement of Purchase and Sale shall be relieved if, on or before the Closing Date: Any parcel which is the subject of an Agreement of Purchase and Sale is removed from the control of A&M by any means or process. In that case, the sole obligation of A&M to the Purchaser shall be to return the deposit without interest or deduction.
24. The submission of an Offer to A&M shall constitute an acknowledgment and an acceptance by the prospective Purchaser of the “Terms and Conditions of Sale”.
25. The validity and interpretation of these Terms and Conditions of Sale, and each provision and part thereof and of the Agreement of Purchase and Sale defined herein, shall be governed by the laws of the Province of Alberta and the Courts of the Province of Alberta shall have exclusive jurisdiction with respect to any dispute arising out of these Terms and Conditions of Sale or any Agreement of Purchase and Sale entered into pursuant hereto.
26. The Purchaser shall assume, at the Purchaser’s cost, complete responsibility for compliance with all laws, municipal, provincial or federal insofar as the same apply to the Parcel of Assets, the Real Estate and the use thereof by the Purchaser. The Purchaser(s) agree(s) to accept title to any real property subject to work orders, municipal requirements, including building or zoning by-laws and regulations, easements for hydro, gas, telephone or any other utility affecting the real property, like services to the real property, and restrictions and/or covenants which run with the land.



27. A&M reserves the right to withdraw any parcel or any part thereof on or before the Closing Date if there is any actual, threatened or anticipated litigation with respect to any parcel or any part thereof, or if the parcel or any part thereof has been sold directly to another third party outside of the offer process. If A&M exercises the right, the Agreement of Purchase and Sale affecting such parcel(s) shall be automatically terminated and deemed null and void and the deposit money shall be refunded to the Purchaser without interest, costs, compensation or deduction and neither party shall be liable to the other for any costs or damages whatsoever.

28. A & M is acting in its capacity as Receiver of Do All and P & O, and not in its personal capacity.



Appendix B

Format for Offers

Please see the attached required format for Offers at main site in folder titled Form of Offer.



Appendix C

Details of Nisku
Equipment and
Inventory by Parcel

Please see the attached appendices on main site in folder Titled Appendices.

Appendix D

Details of Estevan
Equipment and
Inventory by Parcel

Please see the attached appendices at main site in folder titled Appendices.