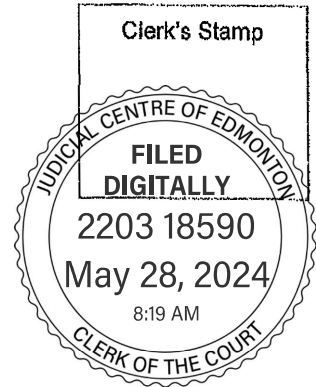


| | |
|--|--|
| COURT FILE NUMBER | 2203-18590 |
| COURT | COURT OF KING'S BENCH OF ALBERTA |
| JUDICIAL CENTRE | EDMONTON |
| PLAINTIFF/DEFENDANT BY COUNTERCLAIM | 1823741 ALBERTA LTD. |
| DEFENDANT BY COUNTERCLAIM | MICHAEL JAMES GANSER |
| DEFENDANT/PLAINTIFF BY COUNTERCLAIM | MARK EDMUND HALDANE |
| DOCUMENT | <u>AFFIDAVIT</u> |
| ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT | Caron & Partners LLP Fifth Avenue Place – West Tower 2120, 237 – 4 Avenue S.W. Calgary, AB T2P 0K3 Phone: 403-770-4023 Fax: 403-237-0111 Attention: Dean A. Hutchison Solicitors for Mark Edmund Haldane File No.: 61882-000 |



AFFIDAVIT OF MARK EDMUND HALDANE
Sworn May 24, 2024

I, **MARK EDMUND HALDANE**, of the Town of Sundre, in the Province of Alberta, MAKE OATH AND SAY THAT:

1. I am the Defendant / Plaintiff by Counterclaim in this action. I have personal knowledge of the matters deposed to herein, except where stated to be based upon information and belief, and where so stated, I do verily believe such facts and matters to be true.
2. In preparing this Affidavit, I have reviewed:
 - (a) the Affidavit of Sean Ferguson sworn December 8, 2023 and filed February 22, 2024 (the "Ferguson Affidavit") in Business Development Bank of Canada v. 1872806 Alberta Ltd., 1823741 Alberta Ltd. carrying on business as Kwik-Fab Energy Services, Michael James

Ganser and Mark Edmund Haldane, Court of King's Bench of Alberta Court File Number 2101-13327 (the "**BDC Foreclosure Proceedings**"); and

(b) the Affidavit of Faith McNeil sworn December 12, 2023 and filed February 22, 2024 in the BDC Foreclosure Proceedings (the "**McNeil Affidavit**").

1823741 Alberta Ltd.

3. I am a shareholder of the Plaintiff / Defendant by Counterclaim, 1823741 Alberta Ltd. ("**182**"), holding 35% of the issued and outstanding voting shares of 182. The Defendant by Counterclaim, Michael James Ganser ("**Mr. Ganser**"), holds the other 65% of the issued and outstanding voting shares of 182.
4. 182 was incorporated on May 5, 2014. From the date of its incorporation until November 30, 2020, the directors of 182 were both myself and Mr. Ganser. I resigned as a director of 182 by way of a written resignation dated November 30, 2020 (the "**Written Director Resignation**"), which resignation was registered with the Alberta Corporate Registry on December 2, 2020. Since that time, Mr. Ganser has been the sole director of 182.
5. Attached hereto and marked as **Exhibit "1"** is a copy of the Alberta Corporate Registry search results for 182 dated May 10, 2024.
6. Attached hereto and marked as **Exhibit "2"** is a copy of the Written Director Resignation that I delivered to Mr. Ganser, and the registered office of 182, which is 5018 – 50 Avenue, Lloydminster, Alberta, T9V 0W7, on or about November 30, 2020. The registered office of 182 is a law firm, Revering Law Office.
7. Attached hereto and collectively marked as **Exhibit "3"** are a copy of the Certificate of Incorporation for 182 dated May 22, 2014, the Certificate of Amendment and Registration of Restated Articles for 182 dated June 15, 2015, the Articles of Amendment of 182 dated June 15, 2015, and the Articles of Incorporation of 182.
8. Attached hereto and collectively marked as **Exhibit "4"** is a copy of the corporate bylaws of 182 (the "**182 Bylaws**").
9. 182 was incorporated initially to operate a business under the registered trade name "Kwik-Fab Energy Services" that provides fabrication and oilfield maintenance and construction services.

Attached hereto and marked as **Exhibit "5"** are the trade name search results from Alberta Corporate Registry of the business name "Kwik-Fab Energy Services" showing that such trade name is registered in favour of 182 and was registered on October 9, 2014.

10. In 2017, following the purchase of the Lands (as defined below) by 1872806 Alberta Ltd., 182 expanded its operations to include a business under the operating name "Mountainview Eco-Products" that deals in the recovery and conversion of sawmill waste into compressed and packaged wood shavings products.
11. To the best of my knowledge, 182 should presently be continuing to operate both: (i) the fabrication and oilfield maintenance and construction services business operating as "Kwik-Fab Energy Services"; and (ii) the recovery and conversion of sawmill waste into compressed and packaged wood shavings products business operating as "Mountainview Eco-Products".

My Resignation as a Director of 182 and Failure of 182 to Hold Annual General Meetings and Deliver Financial Statements to Shareholders of 182 Following My Resignation

12. In the spring of 2020, Mr. Ganser approached me to suggest that 182's operations be changed to include the processing of hemp. Mr. Ganser indicated to me that he viewed this as a "win/win" situation for him and 182 as he could grow the hemp on his farm, his farm could be paid under a contract made with 182 to grow the hemp, and 182 could process and then sell the hemp. I disagreed with this proposed plan as I did not believe it would be a profitable business for 182. Despite my views, Mr. Ganser proceeded to set up meetings with hemp marketers. I attended these meetings with Mr. Ganser, and it appeared to me that the hemp marketers were more interested in obtaining financing from 182 than they were in developing an appropriate business plan. Following these meetings I again advised Mr. Ganser that I strongly disagreed with and opposed his proposed plan of having 182 get involved in the hemp business. Despite my views, Mr. Ganser again continued his efforts to have 182 get into the hemp processing business and to source clients for such business. In the summer of 2020, Mr. Ganser attended at the business premises of 182 and asked for all the serial numbers of all equipment of 182 and asked whether there are any amounts owing with respect to the equipment as he advised that he intended to leverage the assets of 182 to pursue the hemp processing business. I once again indicated to Mr. Ganser that I did not support 182 getting into the hemp processing business, and that I did not agree to having 182 leverage its assets to pursue the hemp processing business. This led to my resignation as a director of 182 on November 30, 2020 by way of the Written Director Resignation.

13. The Written Director Resignation requested that an annual meeting of the shareholders of 182 be called in accordance with the notice provisions of the 182 Bylaws (section 9.04). The Written Director Resignation further requested that audited "books" (financial statements) of 182 be provided to me as a shareholder of 182.
14. An annual meeting of the shareholders of 182 has not been held as I requested in the Written Director Resignation, nor have audited financial statements of 182 been provided to me as I requested in the Written Director Resignation. As set in more detail below, since Mr. Ganser has been the sole director of 182, no annual meetings of the shareholders of 182 have been held, nor have any resolutions in writing signed by all shareholders of 182 in lieu of an annual meeting of shareholders been passed. Since Mr. Ganser has been the sole director of 182, I, as a shareholder of 182, have not signed any shareholder resolutions waiving my rights to receive financial statements of 182, nor have I signed any shareholder resolutions dispensing with the appointment of an auditor for 182. As further set out in more detail below, since Mr. Ganser has been the sole director of 182, no financial statements of 182 (audited, or otherwise), have been provided to me as a shareholder of 182 for the fiscal years of 2021, 2022, or 2023. As still further set out in more detail below, the last financial statements for 182 that I have been provided with are for the fiscal year ended December 31, 2020.

\$135,000 in Shareholder Loans Made By Me to 182 and \$50,000 Loan Made to 182 by Brenda Goettel

15. As a shareholder of 182, I have made loans to 182 totaling \$135,000 comprising the following amounts (collectively, the "**Haldane Shareholder Loans to 182**");
 - (a) \$20,000 which I loaned to 182 in February 2015;
 - (b) \$40,000 which I loaned to 182 in April 2015;
 - (c) \$50,000, \$20,000 and \$25,000 which I loaned to 182 in March 2016;
 - (d) \$7,500 which I loaned to 182 in May 2016; and
 - (e) \$21,000 and \$31,500 which I loaned to 182 in December 2018.

Attached hereto and marked as **Exhibit "6"** is e-mail correspondence between Mr. Ganser, 182's then bookkeeper, Jean Roberts ("**Ms. Roberts**"), and myself of June 14, June 16, June 22 and June 23, 2020 regarding the Haldane Shareholder Loans to 182.

16. My common-law spouse, Brenda Goettel (“**Ms. Goettel**”), made a loan of \$50,000 to 182 on October 31, 2019 for the purposes of enabling 182 to meet its then payroll obligations (the “**Goettel Payroll Loan**”). Attached hereto and marked collectively as **Exhibit “7”** are banking records from October and November 2019 showing the transfer by Ms. Goettel to 182 of the sum of \$50,000, together with e-mail correspondence between Mr. Ganser, 182’s then bookkeeper, Ms. Roberts, Ms. Goettel and myself of June 14, June 16, and July 3, 2020 regarding the Goettel Payroll Loan.
17. The Goettel Payroll Loan was repaid by 182 by way of the following payments made by 182 to Ms. Goettel:
- (a) \$5,000 on July 27, 2020;
 - (b) \$5,000 on August 4, 2020;
 - (c) \$25,000 on October 1, 2020;
 - (d) \$10,000 on October 13, 2020; and
 - (e) \$5,000 on November 26, 2020.

Attached hereto and collectively marked as **Exhibit “8”** are copies of cheque stubs evidencing the above payments from 182 to Ms. Goettel in respect of the repayment of the Goettel Payroll Loan.

1872806 Alberta Ltd.

18. I am a director and a shareholder of 1872806 Alberta Ltd. (“**187**”), holding 50% of the issued and outstanding voting shares of 187. The Defendant by Counterclaim, Mr. Ganser, holds the other 50% of the issued and outstanding voting shares of 187, and is also a director of 187. 187 was incorporated on January 20, 2015. The registered office of 187 is the same as 182, which is 5018 – 50 Avenue, Lloydminster, Alberta, T9V 0W7, which are the offices of the law firm, Revering Law Office. Attached hereto and marked as **Exhibit “9”** is a copy of the Alberta Corporate Registry search results for 187 dated May 10, 2024.
19. Attached hereto and collectively marked as **Exhibit “10”** are copies of the Certificate of Incorporation for 187 dated January 20, 2015, and the Articles of Incorporation of 187.
20. Attached hereto and marked as **Exhibit “11”** is a copy of the corporate bylaws of 187.

21. Attached hereto and marked as **Exhibit "12"** is copy of the Unanimous Shareholders' Agreement concerning 187 made between myself, Mr. Ganser and 187 dated June 8, 2015.

The Lands, Loan and Mortgage to the Business Development Bank of Canada, and the Lease

22. 187 is a land holding company and is the registered owner of lands municipally described as 4 – 32532 Range Road 42, Mountain View County, Alberta, and legally described as:

Plan 0611068
Block 1
Lot 1
Excepting Thereout All Mines and Minerals
Area: 3.227 Hectares (7.97 Acres) More or Less

(the "**Lands**"). Attached hereto and marked as **Exhibit "13"** is a copy of title to the Lands dated May 13, 2024.

23. 187 purchased the Lands in September 2015 for the sum of \$1,950,000. To complete the purchase, 187 obtained financing (the "**BDC Loan**") from the Business Development Bank of Canada ("**BDC**"), which financing included a mortgage over the Lands in the principal sum of \$1,560,000 being granted by 187 in favour of BDC (the "**BDC Mortgage**"). The BDC Loan was made by way of a letter of offer from BDC to 187 dated March 30, 2015 and accepted by 187 on April 1, 2015 (the "**BDC Loan Agreement**"). Attached hereto and marked as **Exhibit "14"** is a copy of the BDC Loan Agreement. The BDC Mortgage was made September 10, 2015 and registered against title to the Lands on September 29, 2015 as registration number 151 253 086. Attached hereto and marked as **Exhibit "15"** is a copy of the BDC Mortgage.
24. As further security for the BDC Loan, 187 provided BDC with a General Assignment of Rents and Leases dated September 10, 2015 in respect of the Lands (the "**Assignment of Rents and Leases**"). A caveat with respect to the Assignment of Rents and Leases was registered against title to the Lands on September 29, 2015 as registration number 151 253 087. Attached hereto and collectively marked as **Exhibit "16"** is a copy of the caveat together with a copy of the Assignment of Rents and Leases.
25. As still further security for the BDC Loan, the following additional documents were provided to BDC (collectively, the "**Additional BDC Security Documents**"): (a) a General Security Agreement dated September 10, 2015 made by 187 in favour of BDC;

- (b) a Guarantee of Loan dated September 10, 2015 made by 182 in favour of BDC whereby 182 guaranteed payment to BDC of all indebtedness owed by 187 under the BDC Loan to the sum of \$1,560,000 (the "**182 Guarantee to BDC**");
- (c) a General Security Agreement dated September 10, 2015 made by 182 in favour of BDC; and
- (d) a Guarantee of Loan dated September 1, 2015 made by myself and Mr. Ganser, jointly and severally, in favour of BDC whereby Mr. Ganser and I jointly guaranteed payment to BDC of the indebtedness owed by 187 under the BDC Loan to the sum of \$500,000 (the "**Ganser & Haldane Guarantee to BDC**").

Attached hereto and collectively marked as **Exhibit "17"** are copies of the Additional BDC Security Documents.

- 26. As noted above, following 187's purchase of the Lands, the decision was made to expand the business of 182 to include the sawmill waste recovery and conversion into compressed and packaged wood shavings products business operating as "Mountainview Eco-Products", which business would be operated on the Lands. As part of this, in May 2017, 187 entered into a lease agreement with 182 (the "**Lease**") whereby 187 agreed to lease the Lands to 182 and to allow 182 to occupy the Lands, and 182 agreed to pay rent to 187 in an amount of \$12,000.00 per month / \$144,000.00 per year, plus goods and services taxes. Payment of rent by 182 to 187 in accordance with the terms of the Lease provided 187 with the necessary revenue for 187 to service its debt to BDC under the BDC Loan and BDC Mortgage.
- 27. There was no written agreement made with respect to the Lease. 182 made the rental payments in accordance with the terms of the Lease for several years. Attached hereto and collectively marked as **Exhibit "18"** are the unaudited financial statements for 182 for the fiscal year ended December 31, 2019 (the "**182 Financial Statements for 2019**") and the unaudited financial statements for 182 for the fiscal year December 31, 2020 (the "**182 Financial Statements for 2020**"). Included with each of the 182 Financial Statements for 2019 and the 182 Financial Statements for 2020 is a document entitled "Statement of Earnings and Retained Earnings" which lists as an "Expense" for 182 an entry for "Rent" in the amount of \$144,000. The 182 Financial Statements for 2019 shows an entry for "Rent" in the amount of \$144,000 for both the fiscal years of 2018 and 2019, and the 182 Financial Statements for 2020 similarly shows an entry for "Rent" in the amount of \$144,000 for the fiscal years of 2019 and 2020.

Non-Payment of Rent by 182 and Defaults on BDC Loan by 187

28. Following my resignation as a director of 182, 182 began failing to pay rent to 187 in accordance with the terms of the Lease. More specifically, 182 failed to pay any rent to 187 for the months of each of January 2021 to and including March 2021.
29. As a result of 182's failure to pay rent to 187, 187 lacked the revenue and funds to service its debt obligations to BDC under the BDC Loan and BDC Mortgage, and 187 defaulted on its obligations to BDC. By a letter of March 31, 2021 from its legal counsel, Miller Thomson LLP ("**Miller Thomson**"), BDC issued a formal demand for payment and a notice of intention to enforce security to 187 (collectively, the "**BDC Demand Documents to 187**"). Attached hereto and collectively marked as **Exhibit "19"** are copies of the BDC Demand Documents to 187.
30. BDC took further steps to enforce its security, including by way of the following:
- (a) Making written demand for payment on 182 with respect to the 182 Guarantee to BDC and issuing to 182 a notice of intention to enforce security. Attached hereto and collectively marked as **Exhibit "20"** is a copy of a demand letter of March 31, 2021 from BDC's counsel, Miller Thomson, addressed to 182 in which BDC demands payment under the 182 Guarantee to BDC and encloses a notice of intention to enforce security addressed to 182 (collectively the "**BDC Demand Documents to 182**").
 - (b) Making written demands for payment on both Mr. Ganser and myself with respect to the Ganser & Haldane Guarantee to BDC. Attached hereto and marked as **Exhibit "21"** is a copy of the demand letter of March 31, 2021 addressed to both Mr. Ganser and myself issued by BDC's counsel, Miller Thomson, in which BDC demands payment under the Ganser & Haldane Guarantee to BDC (the "**BDC Demand Letter to Ganser & Haldane**").
31. Following the issuance of the BDC Demand Documents to 187, the BDC Demand Documents to 182 and the BDC Demand Letter to Ganser & Haldane, BDC entered into a Forbearance Agreement with each of 187, 182, Mr. Ganser and myself dated April 30, 2021 (the "**Forbearance Agreement**"), whereby BDC agreed to forbear from its enforcement rights with respect to the BDC Loan, the BDC Mortgage and BDC's security against 187, 182, Mr. Ganser and myself until September 30, 2021 (the "**Forbearance Period**"). Attached hereto and marked as **Exhibit "22"** is a copy of the Forbearance Agreement. Under the terms of the Forbearance Agreement the following was to be provided to BDC:

- (a) immediate payment of the sum of \$40,594.96;
 - (b) post-dated cheques in the amount of \$10,500 for the first day of each month during the term of the Forbearance Period commencing May 1, 2021;
 - (c) an organizational chart for each of 182 and 187, including information regarding the officers, directors and shareholders of each company; and
 - (d) a list of the tenants/occupants currently occupying the Lands, including a description of the business activities of such tenants/occupants.
32. By letter of April 28, 2021 from 182's then counsel, Stillman LLP, to counsel for BDC, Miller Thomson (the "**April 28, 2021 Stillman Letter**"), payment of the sum of \$40,594.96, together with post-dated cheques from 182 to BDC in the amount of \$10,500 each respectively dated May 1, 2021, June 1, 2021, July 1, 2021, August 1, 2021 and September 1, 2021, were delivered to BDC's counsel. The April 28, 2021 Stillman Letter provided organizational charts for each of 187 and 182, stated that the only tenant on the Lands was 182, and described 182's business activities as "wood fibre and oilfield manufacturing and fabrication". Attached hereto and marked as **Exhibit "23"** is a copy of the April 28, 2021 Stillman Letter.
33. All amounts owed under the BDC Loan were not repaid by the expiry of the Forbearance Period and following the expiry of the Forbearance Period, BDC took further enforcements steps, including:
- (a) demanding payment of rent directly from 182 under the Assignment of Rents and Leases;
 - (b) commencing the BDC Foreclosure Proceedings; and
 - (c) seizing personal property of 182.

Non-Payment of Rent and Short Payment of Rent by 182 and Demand by BDC under the Assignment of Rents and Leases.

34. By letter of November 5, 2021, BDC issued formal written notice to 182 directing 182 to pay rent to BDC directly under the Assignment of Rents and Leases. A copy of such November 5, 2021 letter is attached hereto and marked as **Exhibit "24"**.

35. 182 failed to make any payment of rent whatsoever to 187 or to BDC for the months of October 2021, November 2021, and December 2021.
36. With respect to the payment of rent by 182 to BDC directly under the Assignment of Rents, it is my understanding 182 has been paying partial rent to BDC in the amount of \$10,500.00 per month since January 2022. As noted above, the Lease requires that 182 pay rent of the amount of \$12,000.00 per month, plus goods and services taxes.
37. I am advised by my litigation counsel, Dean Hutchison of Caron & Partners LLP (“**Mr. Hutchison**”), and do verily believe to be true, that he received a payment statement from counsel for BDC, Miller Thomson, dated March 12, 2024 showing the amounts BDC has received with respect to payments against the BDC Loan from the period of July 1, 2021 to March 12, 2024. Attached hereto and marked as **Exhibit “25”** is a copy of that payment statement dated March 12, 2024.

BDC Foreclosure Proceedings – Lack of Cooperation by 182 and Mr. Ganser

38. BDC commenced the BDC Foreclosure Proceedings by way of a Statement of Claim filed October 25, 2021. Attached hereto and marked as **Exhibit “26”** is a filed copy of the said Statement of Claim.
39. On March 30, 2022, BDC obtained a Consent Redemption Order – Listing in the Foreclosure Proceedings (the “**Consent Redemption Order**”) which provided that the Lands shall be listed for sale with a judicial listing agent for a period of 90 days. The judicial listing period pursuant to the Redemption Order has subsequently been extended for periods of 90 days each by Consent Orders granted in the BDC Foreclosure Proceedings on August 9, 2022, November 2, 2022, February 16, 2023 and May 13, 2023 (collectively, the “**Consent Listing Period Extension Orders**”). Each of the Consent Redemption Order and the respective Consent Listing Period Extension Orders were consented to by:
 - (a) Stillman LLP, as then counsel for 182 and Mr. Ganser;
 - (b) Kutz Skorodenski Law (also known as Kutz Law), as my counsel; and
 - (c) each of Mr. Ganser and myself as the directors of 187.

Attached hereto and collectively marked as **Exhibit "27"** is a copy of the Consent Redemption Order, together with copies of the respective Consent Listing Period Extension Orders.

40. BDC filed an Application in the BDC Foreclosure Proceedings on February 22, 2024 (the "**BDC Application**") seeking an Order:
- (a) to renew the judicial listing of the Lands for a period of 120 days; and
 - (b) directing 182, or any other party in occupation of the Lands, to cooperate with the judicial listing agent to schedule tours of the Lands by prospective purchasers.

A copy of the BDC Application is attached hereto and marked as **Exhibit "28"**.

41. The BDC Application references both the Ferguson Affidavit and the McNeil Affidavit. The Ferguson Affidavit is sworn by Sean Ferguson, the Associate Vice President Industry Sales & Leasing at Cushman & Wakefield, the judicial listing agent in the BDC Foreclosure Proceedings. Paragraph 5 of the Ferguson Affidavit sets out that it has become increasingly difficult for the judicial listing agent to schedule tours of the Lands with prospective purchasers given the lack of accommodation by 182 as the tenant of the Lands. The Ferguson Affidavit attaches as Exhibit "B" e-mail correspondence between members of the judicial listing agent, Cushman & Wakefield, counsel for BDC, Miller Thomson, and Mr. Ganser, about issues with Mr. Ganser's and 182's lack of cooperation in allowing the judicial listing agent to schedule tours of the Lands. A copy of such e-mail correspondence is attached hereto and marked as **Exhibit "29"**.
42. Following being served with the BDC Application, the Ferguson Affidavit and the McNeil Affidavit as a party to the BDC Foreclosure Proceedings, I advised BDC's counsel, through my litigation counsel, Mr. Hutchison, that I supported the relief sought by BDC in the BDC Application.
43. I am advised by my litigation counsel, Mr. Hutchison, and do verily believe to be true, that neither Mr. Ganser nor 182 responded to the BDC Application, nor did anyone attend the hearing of the BDC Application on their behalf. I am further advised by Mr. Hutchison, and do verily believe to be true, that an Order was granted in respect of the BDC Application on March 12, 2024. Attached hereto and marked as **Exhibit "30"** is a copy of that Order.

Seizure of Personal Property / Equipment of 182 by BDC

44. I am advised by my corporate counsel, Laura Skorodenski (also known as Laura Kutz) of Kutz Skorodenski Law (also known as Kutz Law) (hereinafter "**Ms. Skorodenski**"), and do verily believe to be true, that on August 17, 2023 she received an e-mail from Nicole Taylor-Smith of Miller Thomson, legal counsel for BDC ("**Ms. Taylor-Smith**"), inquiring as to whether any of the equipment on the Lands belongs to 187 or if it is all owned by 182. The e-mail indicated that most of the prospective purchasers for the Lands are also interested in the equipment, BDC was considering its option with respect to the equipment, and that if any of the equipment belongs to 187 it could be sold with the Lands and may make the Lands more saleable. The e-mail further asked for an equipment list if the equipment is owned by 187. I am further advised by Ms. Skorodenski, and do verily believe to be true, that she responded to the foregoing described August 17, 2023 e-mail by way of an e-mail to Ms. Taylor-Smith of August 23, 2023 which stated that I had indicated that 187 does not own any equipment, that I was not aware of what assets 182 currently has, that in my opinion the equipment should be sold somehow, that it is cost prohibitive to remove the equipment, and that as a 35% shareholder of 182 and a 50% shareholder of 187, I am in favour of selling the equipment. Attached hereto and marked as **Exhibit "31"** are copies of the foregoing described e-mail correspondence.
45. It is my understanding that BDC caused equipment of 182 located on the lands to be seized on September 11, 2023. Attached hereto and marked as **Exhibit "32"** are the Personal Property Registry search results for 182 dated May 10, 2024 which show security registrations in favour of BDC, and further show that on September 11, 2023, BDC caused to be seized certain personal property of 182.
46. Attached hereto and marked as **Exhibit "33"** are the Personal Property Registry search results for 187 dated May 10, 2024 which show security registrations in favour of BDC.
47. The McNeil Affidavit states at paragraph 2 that on August 17, 2023, Miller Thomson, as counsel and agent for BDC, instructed Consolidated Civil Enforcement (the "**Bailiff**"), to seize all equipment located on the Lands, which BDC understood was owned by 182, the tenant in occupation of the Lands. The McNeil Affidavit further states at paragraph 3 that on September 11, 2023, the Bailiff completed the seizure of the equipment, and the McNeil Affidavit attaches as Exhibit "A" copies of the Bailiff's report dated September 11, 2023 and the Amended Notice of Seizure dated September 11, 2023 (collectively, the "**Bailiff's Report**"). The McNeil Affidavit

further states at paragraph 4 that Mr. Ganser has contacted BDC and has objected to the sale of the seized equipment.

48. The Bailiff's Report states that Andrew Thompson of the Bailiff ("Mr. Thompson") met with Mr. Ganser at the "sawdust and wood chipping plant" on the Lands on September 11, 2023 and that upon Mr. Thompson's attendance, Mr. Ganser presented him with "a pile of bills of sale, stating everything at the location had been sold to another company 1883177 Alberta Ltd. [sic] that he [Mr. Ganser] owns on the 27th Jan 2021". A copy of the Bailiff's Report is attached hereto and marked as **Exhibit "34"**.
49. Attached hereto and marked as **Exhibit "35"** is a copy of Alberta Corporate Registry search results for 1883177 Alberta Ltd. dated May 10, 2024 which indicate that:
 - (a) Mr. Ganser is the sole director and 100% voting shareholder of 1883177 Alberta Ltd.;
 - (b) the registered office of 1883177 Alberta Ltd. is 5018 – 50 Avenue, Lloydminster, Alberta, which is the offices of the law firm Revering Law Office (which is the same registered office as 182 and 187); and
 - (c) that 1883177 Alberta Ltd. changed its name to Mountainview Eco Products Ltd. by way of a name change registered at the Alberta Corporate Registry on December 3, 2020.
50. The name change of 1883177 Alberta Ltd. to Mountainview Eco Products Ltd. registered with Alberta Corporate Registry on December 3, 2020 occurred one day after my resignation as a director of 182 was registered with Alberta Corporate Registry on December 2, 2020.

No Notice of Purported Sale of Equipment by 182 to 1883177 Alberta Ltd. / Mountainview Eco Products Ltd.

51. As a shareholder of 182, I have not been provided with any notice of any purported sale or transfer of equipment or other assets of 182 to Mountainview Eco Products Ltd. (formerly 1883177 Alberta Ltd.), that may have occurred on January 27, 2021, or any other time.
52. As a voting shareholder of 182, I have not received any notice of meeting of shareholders of 182 to consider a sale or transfer of all, or substantially all, of the equipment or other assets of 182 to Mountainview Eco Products Ltd. (formerly 1883177 Alberta Ltd.), or to any other purchaser or transferee. As a voting shareholder of 182, I have not approved of any sale or transfer of equipment

or assets of 182 to Mountainview Eco Products Ltd. (formerly 1883177 Alberta Ltd.), or to any other purchaser or transferee. I similarly have not signed any special resolution of the shareholders of 182 approving of any sale or transfer of equipment or assets of 182 to Mountainview Eco Products Ltd. (formerly 1883177 Alberta Ltd.), or to any other purchaser or transferee.

53. As a shareholder of 182, I have not received any notice or other form of disclosure from Mr. Ganser, as a director and officer of 182, of his interests in Mountainview Eco Products Ltd. (formerly 1883177 Alberta Ltd.), before any purported sale or transfer of equipment or assets of 182 to Mountainview Eco Products Ltd. (formerly 1883177 Alberta Ltd.) that may have occurred in January 27, 2021, or any time.
54. As a shareholder of 182, I have not been provided with any information or documentation from 182 and its sole director, Mr. Ganser, with respect to any purported sale of equipment or assets of 182 to Mountainview Eco Products Ltd. (formerly 1883177 Alberta Ltd.), or to any other person or entity.

Failure by 182 to Hold Annual General Meetings and Provide Financial Statements

55. As noted above, I resigned as a director of 182 on November 30, 2020. Since that time, the Defendant by Counterclaim, Mr. Ganser, has been the sole director of 182. No annual meeting of the shareholders of 182 have been held since I have resigned as a director, nor have any resolutions in writing signed by all shareholders of 182 in lieu of an annual meeting of shareholders been passed since I have resigned as a director of 182. The last annual meeting of the shareholders of 182 was held on May 31, 2020. A copy of the minutes of that last meeting of the shareholders of 182 is attached hereto and marked as **Exhibit "36"**.
56. As noted above, I am shareholder of 182 holding 35% of the issued and outstanding shares in the capital of 182. I have not received any financial statements for 182 for the fiscal years of 2021, 2022 or 2023, nor have I received any auditor reports regarding the financial statements of 182 for those fiscal years. The fiscal year of 182 ends on December 31st of each calendar year. As a shareholder of 182, I have not approved or signed any shareholder resolutions waiving my right to receive a financial statement for 182 for the fiscal years of 2021, 2022 or 2023, nor have I approved or signed any shareholder resolutions dispensing with the appointment of an auditor of 182 for such fiscal years.

A. Efforts to Obtain Financial Statements

57. By e-mail of April 26, 2021 from my corporate counsel, Ms. Skorodenski, to Scott Greenwald (“**Mr. Greenwald**”) of MNP LLP (“**MNP**”), 182’s and 187’s external accountant, copied to Chris Hoose of Stillman LLP (“**Mr. Hoose**”), Mr. Ganser’s then counsel, a written request of Mr. Greenwald / MNP was made on my behalf as a shareholder of 182 for the corporate financial statements for 182 for the fiscal year ended December 31, 2020. Mr. Greenwald responded by way of e-mail of April 27, 2021 to Ms. Skorodenski copied to Mr. Hoose which stated that the December 31, 2020 year-end financial statements for 182 had not been prepared as of yet as MNP had not received any bookkeeping records, back up, or any source documentation to prepare such financial statements. Mr. Greenwald’s e-mail further indicated that he had nothing to provide for the 2020 year-end for 182 and was unsure of what the intended timing is and when MNP would be receiving the records to prepare the 2020 year-end financial statement for 182. Attached hereto and marked as **Exhibit “37”** is a copy of the foregoing described e-mails.
58. During the week of February 21, 2022, I attended a meeting of the directors of 187 with Mr. Ganser in which I requested from him the financial statements of 182 for the fiscal years of 2020 and 2021. Mr. Ganser stated that he did not have them and that I should request them from 182’s external accountant, MNP. On February 28, 2022, I sent an e-mail to Mr. Greenwald of MNP requesting financial statements for the fiscal years of both 2020 and 2021 for both 187 and 182. In that e-mail I specifically asked Mr. Greenwald if he had received any financial information for the 2021 fiscal year-end for 182 and when he expected to finalize the 2021 financial statements for 182. I received a response from Mr. Greenwald by way of an e-mail of March 1, 2022 in which he attached the financial statements for the fiscal years of 2020 and 2021 for 187, and the financial statements for the fiscal year of 2020 for 182. The e-mail from Mr. Greenwald further stated that MNP had not received any information for the 2021 fiscal year for 182 so Mr. Greenwald had no 2021 financial statements to provide for 182, nor any time frame for providing them as he had no idea when MNP would receive 2021 financial information for 182. Attached hereto and collectively marked as **Exhibit “38”** is a copy of the foregoing described February 28, 2022 and March 1, 2022 e-mail correspondence between myself and Mr. Greenwald.
59. By e-mail of July 29, 2022 from Mr. Greenwald, I received draft financial statements for the 2022 fiscal year of 187. Mr. Greenwald and I had further e-mail correspondence regarding such draft financial statements on August 9, 16 and 25, 2022, September 7 and 14, 2022, as well as additional e-mails from me to Mr. Greenwald of October 20, 2022 and November 1, 9 and 18, 2022. In my

e-mail of October 20, 2022 to Mr. Greenwald, I asked if he had any information on the financial statements for 182, and in my e-mails to Mr. Greenwald of November 1 and 18, 2022 I followed up on that question. Attached hereto and collectively marked as **Exhibit "39"** is a copy of the foregoing described e-mails.

60. By letter of October 2, 2023 from my corporate counsel, Ms. Skorodenski, addressed to the registered office of 182 to the attention of Mr. Ganser (the "**October 2, 2023 Letter**"), a written demand on my behalf was made for the production of the most recent financial statement for 182, including a current list of corporate assets, to be delivered by no later than October 23, 2023. The October 2, 2023 Letter further stated that should the requested documents fail to be produced by the October 23, 2023 deadline, I would be demanding production of audited financial statements. Attached hereto and marked as **Exhibit "40"** is a copy of the October 2, 2023 Letter.
61. By an e-mail of October 12, 2023 from AJ Mokolky, a lawyer at Revering Law Office ("**Mr. Mokolky**") (which is the registered office of 182), Mr. Mokolky responded to the October 2, 2023 Letter stating that a copy of it had been sent to Mr. Ganser, and that Mr. Ganser responded that there is nothing preventing me from accessing the financials from the corporate accountant for 182. The e-mail further stated that Revering Law Office does not have the financials of 182 in the corporate minute book, that Revering Law Office represents 182, is in a conflict in a shareholder dispute, and given such conflict, Mr. Mokolky did not intend to involve himself any further in the issue. Attached hereto and marked as **Exhibit "41"** is a copy of the foregoing described October 12, 2023 e-mail.
62. In addition to the requests made of MNP for financial statements for 182 described in paragraphs 57 and 58 above, I made phone calls to Mr. Greenwald at MNP on three different occasions in October and November 2023 and left voicemail messages requesting information on the status of the financial statements of 182 for the 2021 and 2022 fiscal years. To date, I have not received any information from MNP on the status of these financial statements of 182 beyond what Mr. Greenwald stated in his March 1, 2022 e-mail to me described above at paragraph 58 and attached hereto as **Exhibit "38"**.
63. By letter of November 8, 2023 from my corporate counsel, Ms. Skorodenski, addressed to the registered office of 182 to the attention of Mr. Ganser (the "**November 8, 2023 Letter to 182 & Mr. Ganser**"), formal written demand was made of 182 for audited financial statements of 182, including specifically for the 2021 fiscal year with a comparative financial statement for the 2020

fiscal year, and for the 2022 fiscal year with a comparative financial statement for the 2020 and 2021 fiscal years. The letter further demanded a current detailed inventory of all corporate equipment, machinery and vehicles of 182, as well as list of payables and receivables of 182 up to and including October 31, 2023. The letter still further requested confirmation that MNP has been instructed to provide audited financials and that 182's bookkeeper has been instructed to compile the current records evidencing the corporate equipment, machinery, and vehicles, as well as the payables and receivables up to and including October 31, 2023. Attached hereto and marked as **Exhibit "42"** is copy of the November 8, 2023 Letter to 182 & Mr. Ganser.

64. By letter of November 8, 2023 from my corporate counsel, Ms. Skorodenski, addressed to MNP to the attention of Mr. Greenwald (the "**November 8, 2023 Letter to MNP**"), formal written demand for the audited financial statements for 182 for 2021 fiscal year including a comparative financial statement for the 2020 fiscal year, and for the audited financial statement for 182 for the 2022 fiscal year including a comparative financial statement for the 2020 and 2021 fiscal years, was made. The letter further demanded current detailed inventory of all corporate equipment, machinery and vehicles of 182, as well as payables and receivables of 182 up to and including October 31, 2023. Attached hereto and marked as **Exhibit "43"** is a copy of the November 8, 2023 Letter to MNP.
65. I am advised by Ms. Skorodenski, and do verily believe to be true, that on December 7, 2023 she received an e-mail from Bill Stemp, a lawyer with Stemp & Company ("**Mr. Stemp**"), stating that he was in the process of being retained by Mr. Ganser (the "**December 7 Stemp E-mail**"). The e-mail further stated that regarding the request for audited financial statements of 182, that "audited statements will not be provided due to the very high cost", that Mr. Ganser has "no problem" providing unaudited statements, that Mr. Ganser does not have such unaudited statements and has requested them from MNP, that Mr. Ganser is following up with that firm to obtain them and as soon as they have been obtained "we would be happy to send them to you". Attached hereto and marked as **Exhibit "44"** is a copy of the December 7 Stemp E-mail.
66. I am further advised by Ms. Skorodenski, and do verily believe to be true, that she has not received any of the requested financial statements for 182, (neither audited or unaudited), from Mr. Stemp, Mr. Ganser, MNP or anyone else, nor has she received a list of the requested current detailed inventory of all corporate equipment, machinery and vehicles of 182, nor a list of the requested current payables and receivables of 182, as requested in each of the November 8, 2023 Letter to 182 & Mr. Ganser and the November 8, 2023 Letter to MNP.

67. Despite my multiple requests as a shareholder of 182 of each of 182, Mr. Ganser as the sole director of 182, and MNP, for financial statements for 182, I have not received any financial statements for 182 for the fiscal years of 2021 and 2022, nor have I received any financial statements for 182 for the fiscal year of 2023 that, to the best of my knowledge, ended on December 31, 2023. I similarly have not received any list of the current inventory of all corporate equipment, machinery and vehicles of 182, nor a list of the current payables and receivables of 182.

Summary

68. As a result of:

- (a) 182's failure to provide payment of rent to 187 in accordance with the terms of the Lease;
- (b) the failure of 182 and its sole director, Mr. Ganser, to provide me, as a shareholder of 182, with financial statements of 182 despite my multiple written requests for financial statements;
- (c) the failure of 182 and its sole director, Mr. Ganser, to schedule and hold an annual meeting of the shareholders of 182 since May 31, 2020;
- (d) 1883177 Alberta Ltd., a company which Mr. Ganser is the sole director and sole shareholder of, changing its name to Mountainview Eco Products Ltd. on December 3, 2020 (one day after my resignation as a director of 182 was registered with the Alberta Corporate Registry);
- (e) the Bailiff's Report indicating that Mr. Ganser claims all equipment of 182 was sold to 1883177 Alberta Ltd. / Mountainview Eco Products Ltd., on January 27, 2021;
- (f) the failure of Mr. Ganser to disclose to me, as a shareholder of 182, his interests in 1883177 Alberta Ltd. / Mountainview Eco Products Ltd.;
- (g) the failure of 182, and its sole director, Mr. Ganser, to seek approval of the shareholders of 182 to sell or transfer equipment of 182 to 1883177 Alberta Ltd. / Mountainview Eco Products Ltd., or any other person or entity;
- (h) the failure of 182, and its sole director, Mr. Ganser, to provide to me, as a shareholder of 182, with any information or documentation regarding the purported sale or transfer of



equipment of 182 to 1883177 Alberta Ltd. / Mountainview Eco Products Ltd., or any other person or entity;

- (i) statements contained in the McNeil Affidavit that Mr. Ganser has objected to the sale of the equipment seized by BDC; and
- (j) statements contained in the Ferguson Affidavit that it has become increasingly difficult to schedule tours of the Lands to interested purchasers given the lack of accommodation of 182 as the tenant of the Lands;

I believe that 182 and Mr. Ganser have engaged in conduct that is oppressive and prejudicial to my rights and interests as a shareholder of 182, and that unfairly disregards the interests of shareholders and creditors of 182 and 187.

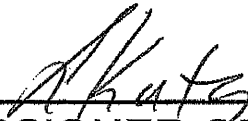
69. I am concerned that Mr. Ganser appears to have been operating the sawmill waste recovery and conversion into compressed and packaged wood shavings products business of 182 known as "Mountainview Eco-Products" through his corporation, Mountainview Eco Products Ltd. (formerly 1883177 Alberta Ltd.), and has been using the equipment and assets of 182 to do so. I am also concerned that Mr. Ganser has diverted revenue and business from 182 without any or adequate compensation to 182.
70. In the circumstances, I believe that the appointment of a receiver and manager, or alternatively, a receiver, over the property, undertakings and assets of each of 182 and 187 is necessary to protect my interests as a shareholder of each of 182 and 187, to protect my interests as a guarantor of the BDC Loan, to protect the interests of creditors and stakeholders of 182 and 187, and to preserve and maximize the value of the assets of 182 and 187.
71. I am advised by Mr. Hutchison, and do verily believe to be true, that BDO Canada Limited has consented to being appointed as the receiver and manager, or in the alternative, the receiver, of each of 182 and 187. Attached hereto and marked as **Exhibit "45"** is a Consent to Act executed by BDO Canada Ltd.

72. I make this Affidavit in support of the relief sought in the Application filed concurrently with this Affidavit.

| | | |
|---|---|--|
| SWORN BEFORE ME at the Town of Sundre, in the Province of Alberta this 24th day of May, 2024. |) | |
|  |) | |
| A Commissioner of Oath in and for the Province of Alberta |) |  MARK HALDANE |

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

THIS IS EXHIBIT "1"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2024/05/10
 Time of Search: 08:27 AM
 Search provided by: CARON & PARTNERS LLP
 Service Request Number: 42106965
 Customer Reference Number: 61882-000 DAH:lrc

Corporate Access Number: 2018237418
Business Number: 803239037
Legal Entity Name: 1823741 ALBERTA LTD.

Legal Entity Status: Active
Alberta Corporation Type: Numbered Alberta Corporation
Registration Date: 2014/05/22 YYYY/MM/DD

Registered Office:

Street: 5018 50 AVENUE
City: LLOYDMINSTER
Province: ALBERTA
Postal Code: T9V0W7

Records Address:

Street: 5018 50 AVENUE
City: LLOYDMINSTER
Province: ALBERTA
Postal Code: T9V0W7

Email Address: CORPORATE@REVERINGLAW.COM

Primary Agent for Service:

| Last Name | First Name | Middle Name | Firm Name | Street | City | Province | Postal Code | Email |
|-----------|------------|-------------|---------------------------|-------------------|--------------|----------|-------------|---------------------------|
| REVERING | DONNON | F. | REVERING LAW OFFICE | 5018 50 AVE | LLOYDMINSTER | ALBERTA | T9V0W7 | CORPORATE@REVERINGLAW.COM |

Directors:

Last Name: GANSER
First Name: MIKE
Street/Box Number: BOX 603
City: PROVOST
Province: ALBERTA
Postal Code: T0B3S0

Voting Shareholders:

Last Name: GANSER
First Name: MKE
Street: BOX 603

City: PROVOST
Province: ALBERTA
Postal Code: T0B3S0
Percent Of Voting Shares: 65

Last Name: HALDANE
First Name: MARK
Street: BOX 2258
City: SUNDRE
Province: ALBERTA
Postal Code: T0M1X0
Percent Of Voting Shares: 35

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE SCHEDULE ONE ATTACHED HERETO.
Share Transfers Restrictions: SEE SCHEDULE TWO ATTACHED HERETO.
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NO RESTRICTIONS
Business Restricted From: NO RESTRICTIONS
Other Provisions: SEE SCHEDULE THREE ATTACHED HERETO.

Associated Registrations under the Partnership Act:

| Trade Partner Name | Registration Number |
|--------------------------|---------------------|
| KWIK-FAB ENERGY SERVICES | TN18530857 |

Other Information:

Last Annual Return Filed:

| File Year | Date Filed (YYYY/MM/DD) |
|-----------|-------------------------|
| 2023 | 2023/07/27 |

Filing History:

| List Date (YYYY/MM/DD) | Type of Filing |
|------------------------|---|
| 2014/05/22 | Incorporate Alberta Corporation |
| 2015/04/29 | Change Address |
| 2015/06/15 | Name/Structure Change Alberta Corporation |
| 2020/02/21 | Update BN |
| 2020/12/02 | Change Director / Shareholder |
| 2023/07/27 | Enter Annual Returns for Alberta and Extra-Provincial Corp. |

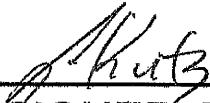
Attachments:

| Attachment Type | Microfilm Bar Code | Date Recorded (YYYY/MM/DD) |
|---|--------------------|----------------------------|
| Share Structure | ELECTRONIC | 2015/06/15 |
| Restrictions on Share Transfers | ELECTRONIC | 2015/06/15 |
| Other Rules or Provisions | ELECTRONIC | 2015/06/15 |

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



THIS IS EXHIBIT "2"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

From: **Mark Haldane**

641575 Alberta Ltd (Haldane's Welding)

To: **1823741 Alberta Ltd.**
1872806 Alberta Ltd.
Attn: Mike Ganser

Hand Delivered

November 30, 2020

Dear Mike,

Please find attached:

1. My resignation as Director of 1823741 Alberta Ltd., being sent concurrently to the Corporate Office in Lloydminster; and
2. Letter of Termination of Services provided to 1823741 Alberta Ltd by 641575 Alberta Ltd (Haldane's Welding) and Mark Haldane.

I request the following:

1. An Annual Meeting of the shareholders for 1823741 Alberta Ltd be called with notice as provided in section 9.04 of By Law No 1, and with an agenda including election of new directors and consideration/approval of the financial reports. Until there is an Annual Meeting of the Shareholders, new directors cannot be appointed (section 3.02 of By Law No.1). If there is a date that is under 21 days away that is mutually convenient for both of us, I would be agreeable to waiving the notice period, as permitted under section 10.06 of the by laws, provided however, that I have been given access to the documents requested below.
2. A copy of audited books for both corporations. There are some entries in the current financials, particularly related to the shareholder loans that are not consistent with what I believe the current position should be. I request the audited books prior to the Annual Meeting so that I can review the books;
3. Delivery of the minute books for both corporations for my review.

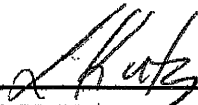
In our previous conversations, you have indicated that you want to leverage 1823741 Alberta Ltd for purposes that I feel are not prudent at this time. I have advised you that I am adamantly opposed to leveraging the assets of the corporation, and in fact am of the strong opinion that such an action will be detrimental to stability and sustainability of 1823741 Alberta Ltd. While I have resigned as a Director of the 1823741 Alberta Ltd, and I am aware that the Board has the ability to borrow money, as a minority shareholder I do have rights with regard to improvident actions by the Board of Directors.

It is becoming increasingly clear that we have different objectives for the growth of the corporations, and different philosophies with regard to how the corporations, particularly 1823741 Alberta Ltd, should be managed going forward. At this time, I believe it would be prudent to discuss options and exit strategies. It would certainly be my preference for us, as shareholders of both corporations, to come to an amicable agreement with regards to the distribution and/or dissolution of the corporations, such distribution or dissolution to be conducted in a manner that will minimize tax consequences for all parties.

Sincerely,

Mark Haldane

THIS IS EXHIBIT "3"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

CORPORATE ACCESS NUMBER: 2018237418

**Government
of Alberta ■**

BUSINESS CORPORATIONS ACT

**CERTIFICATE
OF
INCORPORATION**

**1823741 ALBERTA LTD.
WAS INCORPORATED IN ALBERTA ON 2014/05/22.**



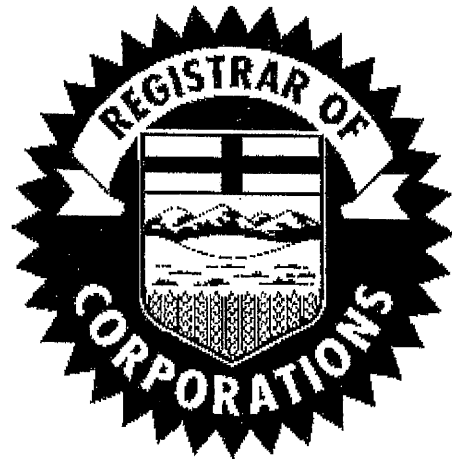
CORPORATE ACCESS NUMBER: 2018237418

**Government
of Alberta ■**

BUSINESS CORPORATIONS ACT

**CERTIFICATE
OF
AMENDMENT AND REGISTRATION
OF RESTATED ARTICLES**

**1823741 ALBERTA LTD.
AMENDED ITS ARTICLES ON 2015/06/15.**



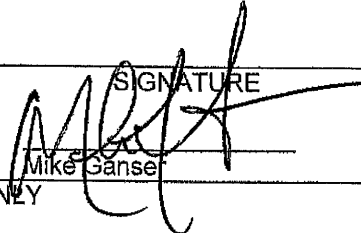
BUSINESS CORPORATIONS ACT
(SECTION 173)

ARTICLES OF AMENDMENT

| | |
|---|--|
| 1. Name of Corporation 1823741 Alberta Ltd. | 2. Corporation Access Number: 2018237418 |
|---|--|

Pursuant to Section 173(1)(c), (d), (e), (m) and (n) of The Business Corporations Act, the articles of the corporation are amended as follows:

- (a) by removing the words "100 Class "A" Shares @ \$10.00" of the Articles of Incorporation and replacing it with the Schedule One attached hereto.
- (b) by removing the words "No Restrictions" with respect to Share Transfer Restrictions and replacing it with the Schedule Two attached hereto.
- (c) by removing the word "None" with respect to Other Provisions and replacing it with Schedule Three attached hereto.

| | | |
|---------------------------|---|----------|
| DATE | SIGNATURE | TITLE |
| June 15, 2015 |  Mike Ganse | Director |
| FOR DEPARTMENTAL USE ONLY | | FILED |

Our File No.: 19397 MSH

SCHEDULE ONE

CLASSES AND NUMBER OF SHARES

1. The Corporation is authorized to issue an unlimited number of Class "A", Class "B", Class "C", Class "D", Class "E", Class "F", Class "G", Class "H", Class "I", Class "J" and Class "K" Shares.

CLASS "A" SHARES

2. The Class "A" Shares shall have the following rights, privileges and restrictions:

(a) Voting:

Except meetings at which only holders of a specified class of Share are entitled to vote, each Class "A" Shareholder shall be entitled to notice of all meetings of the Shareholders of the Company and each Share shall carry one (1) vote at all meetings of the Shareholders of the Company.

(b) Dividends (Participating):

Each Share shall be entitled to participate, based on the number of Shares issued in the net income of the Company to the complete or partial exclusion of any other Class or Classes of Shares of the Company as the Directors in their sole and absolute discretion may declare but only by means of dividends declared by the Board of Directors.

(c) Liquidation (No Preference, Participating):

In the event of the distribution of the assets of the Company to its Shareholders on liquidation, winding-up, etc., such assets shall be distributed on a pro rata basis among the Class "A" Shares, Class "B" Shares, Class "C" Shares, Class "D" Shares, Class "E" Shares, and Class "F" Shares, such pro rata distribution being based on the number of Shares issued, but only after payment in full of the preferred claims of the Class "H" Shares, Class "I" Shares, Class "J" Shares, Class "K" Shares and Class "G" Shares.

(d) Redeemable or Retractable:

The Company shall not be entitled to redeem any Class "A" Share, nor shall the holder be entitled to require the Company to redeem (retract) such Share without the consent of all shareholders, such redemption (retraction) to be at a price agreed upon by the Corporation and the Class "A" Shareholders at the time of redemption (retraction).

(e) Convertible:

Each Class "A" Share, at the option of the holder, and on written notice to the Company and each Shareholder, and subject to the unanimous approval of each Shareholder, may be converted into any class of Shares in the Company.

(f) Pre-emptive Right:

Each Share shall carry a pre-emptive right to acquire any Class "A" Shares, Class "B" Shares, Class "C" Shares, Class "D" Shares, Class "E" Shares, and Class "F" Shares offered for issue by the Company, except where the issue is made in the exercise of conversion privileges attached to any class of Shares of the Company.

CLASS "B" SHARES

3. The Class "B" Shares shall have the following rights, privileges and restrictions:

(a) Voting:

Except meetings at which only holders of a specified class of Share are entitled to vote, each Class "B" Shareholder shall be entitled to notice of all meetings of the Shareholders of the Company and each Share shall carry one (1) vote at all meetings of the Shareholders of the Company.

(b) Dividends (Participating):

Each Share shall be entitled to participate, based on the number of Shares issued in the net income of the Company to the complete or partial exclusion of any other Class or Classes of Shares of the Company as the Directors in their sole and absolute discretion may declare but only by means of dividends declared by the Board of Directors.

(c) Liquidation (No Preference, Participating):

In the event of the distribution of the assets of the Company to its Shareholders on liquidation, winding-up, etc., such assets shall be distributed on a pro rata basis among the Class "A" Shares, Class "B" Shares, Class "C" Shares, Class "D" Shares, Class "E" Shares, and Class "F" Shares, such pro rata distribution being based on the number of Shares issued, but only after payment in full of the preferred claims of the Class "H" Shares, Class "I" Shares, Class "J" Shares, Class "K" Shares and Class "G" Shares.

(d) Redeemable or Retractable:

The Company shall not be entitled to redeem any Class "B" Share, nor shall the holder be entitled to require the Company to redeem (retract) such Share without the consent of all shareholders, such redemption (retraction) to be at a price agreed upon by the Corporation and the Class "B" Shareholders at the time of redemption (retraction).

(e) Convertible:

Each Class "B" Share, at the option of the holder, and on written notice to the Company and each Shareholder, and subject to the unanimous approval of each Shareholder, may be converted into any class of Shares in the Company.

(f) Pre-emptive Right:

Each Share shall carry a pre-emptive right to acquire any Class "A" Shares, Class "B" Shares, Class "C" Shares, Class "D" Shares, Class "E" Shares, and Class "F" Shares offered for issue by the Company, except where the issue is made in the exercise of conversion privileges

attached to any class of Shares of the Company.

CLASS "C" SHARES

4. The Class "C" Shares shall have the following rights, privileges and restrictions:

(a) Voting:

Except meetings at which only holders of a specified class of Share are entitled to vote, each Class "C" Shareholder shall be entitled to notice of all meetings of the Shareholders of the Company and each Share shall carry one (1) vote at all meetings of the Shareholders of the Company.

(b) Dividends (Participating):

Each Share shall be entitled to participate, based on the number of Shares issued in the net income of the Company to the complete or partial exclusion of any other Class or Classes of Shares of the Company as the Directors in their sole and absolute discretion may declare but only by means of dividends declared by the Board of Directors.

(c) Liquidation (No Preference, Participating):

In the event of the distribution of the assets of the Company to its Shareholders on liquidation, winding-up, etc., such assets shall be distributed on a pro rata basis among the Class "A" Shares, Class "B" Shares, Class "C" Shares, Class "D" Shares, Class "E" Shares, and Class "F" Shares, such pro rata distribution being based on the number of Shares issued, but only after payment in full of the preferred claims of the Class "H" Shares, Class "I" Shares, Class "J" Shares, Class "K" Shares and Class "G" Shares.

(d) Redeemable or Retractable:

The Company shall not be entitled to redeem any Class "C" Share, nor shall the holder be entitled to require the Company to redeem (retract) such Share without the consent of all shareholders, such redemption (retraction) to be at a price agreed upon by the Corporation and the Class "C" Shareholders at the time of redemption (retraction).

(e) Convertible:

Each Class "C" Share, at the option of the holder, and on written notice to the Company and each Shareholder, and subject to the unanimous approval of each Shareholder, may be converted into any class of Shares in the Company.

(f) Pre-emptive Right:

Each Share shall carry a pre-emptive right to acquire any Class "A" Shares, Class "B" Shares, Class "C" Shares, Class "D" Shares, Class "E" Shares, and Class "F" Shares offered for issue by the Company, except where the issue is made in the exercise of conversion privileges attached to any class of Shares of the Company.

CLASS "D" SHARES

5. The Class "D" Shares shall have the following rights, privileges and restrictions:

(a) Non-Voting:

Each Share shall carry one (1) vote only at meetings at which only the holders of Class "D" Shares are entitled to vote pursuant to the provisions of The Business Corporations Act in specified matters pertaining to the amendment of the Articles of Incorporation, amalgamation, and dispositions of substantially all of the property of the Corporation other than in the ordinary course of business.

(b) Dividends (Participating):

Each Share shall be entitled to participate, based on the number of Shares issued in the net income of the Company to the complete or partial exclusion of any other Class or Classes of Shares of the Company as the Directors in their sole and absolute discretion may declare but only by means of dividends declared by the Board of Directors.

(c) Liquidation (No Preference, Participating):

In the event of the distribution of the assets of the Company to its Shareholders on liquidation, winding-up, etc., such assets shall be distributed on a pro rata basis among the Class "A" Shares, Class "B" Shares, Class "C" Shares, Class "D" Shares, Class "E" Shares, and Class "F" Shares, such pro rata distribution being based on the number of Shares issued, but only after payment in full of the preferred claims of the Class "H" Shares, Class "I" Shares, Class "J" Shares, Class "K" Shares and Class "G" Shares.

(d) Redeemable or Retractable:

The Company shall not be entitled to redeem any Class "B" Share, nor shall the holder be entitled to require the Company to redeem (retract) such Share without the consent of all shareholders, such redemption (retraction) to be at a price agreed upon by the Corporation and the Class "B" Shareholders at the time of redemption (retraction).

(e) Convertible:

Each Class "D" Share, at the option of the holder, and on written notice to the Company and each Shareholder, and subject to the unanimous approval of each Shareholder, may be converted into any class of Shares in the Company.

(f) Pre-emptive Right:

Each Share shall carry a pre-emptive right to acquire any Class "A" Shares, Class "B" Shares, Class "C" Shares, Class "D" Shares, Class "E" Shares, and Class "F" Shares offered for issue by the Company, except where the issue is made in the exercise of conversion privileges attached to any class of Shares of the Company.

CLASS "E" SHARES

6. The Class "E" Shares shall have the following rights, privileges and restrictions:

(a) Non-Voting:

Each Share shall carry one (1) vote only at meetings at which only the holders of Class "E" Shares are entitled to vote pursuant to the provisions of The Business Corporations Act in specified matters pertaining to the amendment of the Articles of Incorporation, amalgamation, and dispositions of substantially all of the property of the Corporation other than in the ordinary course of business.

(b) Dividends (Participating):

Each Share shall be entitled to participate, based on the number of Shares issued in the net income of the Company to the complete or partial exclusion of any other Class or Classes of Shares of the Company as the Directors in their sole and absolute discretion may declare but only by means of dividends declared by the Board of Directors.

(c) Liquidation (No Preference, Participating):

In the event of the distribution of the assets of the Company to its Shareholders on liquidation, winding-up, etc., such assets shall be distributed on a pro rata basis among the Class "A" Shares, Class "B" Shares, Class "C" Shares, Class "D" Shares, Class "E" Shares, and Class "F" Shares, such pro rata distribution being based on the number of Shares issued, but only after payment in full of the preferred claims of the Class "H" Shares, Class "I" Shares, Class "J" Shares, Class "K" Shares and Class "G" Shares.

(d) Redeemable or Retractable:

The Company shall not be entitled to redeem any Class "E" Share, nor shall the holder be entitled to require the Company to redeem (retract) such Share without the consent of all shareholders, such redemption (retraction) to be at a price agreed upon by the Corporation and the Class "E" Shareholders at the time of redemption (retraction).

(e) Convertible:

Each Class "E" Share, at the option of the holder, and on written notice to the Company and each Shareholder, and subject to the unanimous approval of each Shareholder, may be converted into any class of Shares in the Company.

(f) Pre-emptive Right:

Each Share shall carry a pre-emptive right to acquire any Class "A" Shares, Class "B" Shares, Class "C" Shares, Class "D" Shares, Class "E" Shares, and Class "F" Shares offered for issue by the Company, except where the issue is made in the exercise of conversion privileges attached to any class of Shares of the Company.

CLASS "F" SHARES

7. Each Class "F" Share shall have the following rights, privileges and restrictions:

(a) Non-Voting:

Each Share shall carry one (1) vote only at meetings at which only

the holders of Class "F" Shares are entitled to vote pursuant to the provisions of The Business Corporations Act in specified matters pertaining to the amendment of the Articles of Incorporation, amalgamation, and dispositions of substantially all of the property of the Corporation other than in the ordinary course of business.

(b) Dividends (Participating):

Each Share shall be entitled to participate, based on the number of Shares issued in the net income of the Company to the complete or partial exclusion of any other Class or Classes of Shares of the Company as the Directors in their sole and absolute discretion may declare but only by means of dividends declared by the Board of Directors.

(c) Liquidation (No Preference, Participating):

In the event of the distribution of the assets of the Company to its Shareholders on liquidation, winding-up, etc., such assets shall be distributed on a pro rata basis among the Class "A" Shares, Class "B" Shares, Class "C" Shares, Class "D" Shares, Class "E" Shares, and Class "F" Shares, such pro rata distribution being based on the number of Shares issued, but only after payment in full of the preferred claims of the Class "H" Shares, Class "I" Shares, Class "J" Shares, Class "K" Shares and Class "G" Shares.

(d) Redeemable or Retractable:

The Company shall not be entitled to redeem any Class "F" Share, nor shall the holder be entitled to require the Company to redeem (retract) such Share without the consent of all shareholders, such redemption (retraction) to be at a price agreed upon by the Corporation and the Class "F" Shareholders at the time of redemption (retraction).

(e) Convertible:

Each Class "F" Share, at the option of the holder, and on written notice to the Company and each Shareholder, and subject to the unanimous approval of each Shareholder, may be converted into any class of Shares in the Company.

(f) Pre-emptive Right:

Each Share shall carry a pre-emptive right to acquire any Class "A" Shares, Class "B" Shares, Class "C" Shares, Class "D" Shares, Class "E" Shares, and Class "F" Shares offered for issue by the Company, except where the issue is made in the exercise of conversion privileges attached to any class of Shares of the Company.

CLASS "G" SHARES

8. The Class "G" Shares shall have the following rights, privileges and restrictions:

(a) Voting:

Except meetings at which only holders of a specified class of Share are entitled to vote, each Class "G" Shareholder shall be entitled to notice of all meetings of the Shareholders of the Company and each Share shall carry one (1) vote at all meetings of the Shareholders of the

Company.

(b) Dividends (Non-Participating):

No Class "G" Share shall be entitled to Dividends.

(c) Liquidation (Preference, Non-Participating):

In the event of the distribution of the assets of the Company to its Shareholders on liquidation, winding-up, etc., such assets shall be distributed on a pro rata basis among the Class "G" Shares to a maximum of \$1.00 per share, but only after payment in full of the preferred claims of the Class "H" Shares, Class "I" Shares, Class "J" Shares, and Class "K" Shares, and thereafter the Class "G" Shares shall not be entitled to participate in any further distribution of the assets of the Company.

(d) Redeemable:

Any Class "G" Share may be redeemed by the holder on thirty (30) days written notice to the Company at an amount equal to one dollar per share plus any unpaid declared Dividends thereon.

(e) Non-Retractable

No Class "G" Share may be retracted at the option of the Company.

(f) Non-convertible:

No Class "G" Share may be converted into any other class of Share of the Company.

(g) No Pre-Emptive Right:

No Class "G" Share shall carry a pre-emptive right to acquire any class of share offered for issue by the Company.

CLASS "H" SHARES

9. The Class "H" Shares shall have the following rights, privileges and restrictions:

(a) Non-Voting:

Each Share shall carry one (1) vote only at meetings at which only the holders of Class "H" Shares are entitled to vote pursuant to the provisions of The Business Corporations Act in specified matters pertaining to the amendment of the Articles of Incorporation, amalgamation, and dispositions of substantially all of the property of the Corporation other than in the ordinary course of business.

(b) Dividends (Participating):

Each Share shall be entitled to participate, based on the number of Shares issued in the net income of the Company to the complete or partial exclusion of any other Class or Classes of Shares of the Company as the Directors in their sole and absolute discretion may declare but only by means of dividends declared by the Board of Directors.

(c) Liquidation (Preference, Non-Participating):

In the event of the distribution of the assets of the Company to its Shareholders on liquidation, winding-up, etc., such assets shall be distributed on a pro rata basis among the Class "H" Shares to a maximum of the redemption amount of the Class "H" Shares, and thereafter the Class "H" Shares shall not be entitled to participate in any further distribution of the assets of the Company.

(d) Redeemable:

Any Class "H" Share may be redeemed by the holder on thirty (30) days written notice to the Company at an amount equal to the fair value of the consideration for which such Share was issued, including any premium on issue, plus any unpaid declared Dividends thereon. The fair value of the consideration for which such Share was issued shall be determined at the time of issuance, subject to adjustment in the event of a dispute with Canada Revenue Agency (or any similar taxing authority) regarding the determination of the fair value.

(e) Retractable

Any Class "H" Share may be retracted at the option of the Company on thirty (30) days written notice to the Holder at an amount equal to the consideration for which such Share may be redeemed.

(f) Non-convertible:

No Class "H" Share may be converted into any other class of Share of the Company.

(g) No Pre-Emptive Right:

No Class "H" Share shall carry a pre-emptive right to acquire any class of share offered for issue by the Company.

CLASS "I" SHARES

10. The Class "I" Shares shall have the following rights, privileges and restrictions:

(a) Non-Voting:

Each Share shall carry one (1) vote only at meetings at which only the holders of Class "I" Shares are entitled to vote pursuant to the provisions of The Business Corporations Act in specified matters pertaining to the amendment of the Articles of Incorporation, amalgamation, and dispositions of substantially all of the property of the Corporation other than in the ordinary course of business.

(b) Dividends (Participating):

Each Share shall be entitled to participate, based on the number of Shares issued in the net income of the Company to the complete or partial exclusion of any other Class or Classes of Shares of the Company as the Directors in their sole and absolute discretion may declare but only by means of dividends declared by the Board of Directors.

(c) Liquidation (Preference, Non-Participating):

In the event of the distribution of the assets of the Company to its Shareholders on liquidation, winding-up, etc., such assets shall be distributed on a pro rata basis among the Class "I" Shares to a maximum of the redemption amount of the Class "I" Shares, but only after payment in full of the preferred claims of the Class "H" Shares, and thereafter the Class "I" Shares shall not be entitled to participate in any further distribution of the assets of the Company.

(d) Redeemable:

Any Class "I" Share may be redeemed by the holder on thirty (30) days written notice to the Company at an amount equal to the fair value of the consideration for which such Share was issued, including any premium on issue, plus any unpaid declared Dividends thereon. The fair value of the consideration for which such Share was issued shall be determined at the time of issuance, subject to adjustment in the event of a dispute with Canada Revenue Agency (or any similar taxing authority) regarding the determination of the fair value.

(e) Retractable

Any Class "I" Share may be retracted at the option of the Company on thirty (30) days written notice to the Holder at an amount equal to the consideration for which such Share may be redeemed.

(f) Non-convertible:

No Class "I" Share may be converted into any other class of Share of the Company.

(g) No Pre-Emptive Right:

No Class "I" Share shall carry a pre-emptive right to acquire any class of share offered for issue by the Company.

CLASS "J" SHARES

11. The Class "J" Shares shall have the following rights, privileges and restrictions:

(a) Non-Voting:

Each Share shall carry one (1) vote only at meetings at which only the holders of Class "J" Shares are entitled to vote pursuant to the provisions of The Business Corporations Act in specified matters pertaining to the amendment of the Articles of Incorporation, amalgamation, and dispositions of substantially all of the property of the Corporation other than in the ordinary course of business.

(b) Dividends (Participating):

Each Share shall be entitled to participate, based on the number of Shares issued in the net income of the Company to the complete or partial exclusion of any other Class or Classes of Shares of the Company as the Directors in their sole and absolute discretion may declare but only by means of dividends declared by the Board of Directors.

(c) Liquidation (Preference, Non-Participating):

In the event of the distribution of the assets of the Company to its Shareholders on liquidation, winding-up, etc., such assets shall be distributed on a pro rata basis among the Class "J" Shares to a maximum of the redemption amount of the Class "J" Shares, but only after payment in full of the preferred claims of the Class "H" Shares and Class "I" Shares, and thereafter the Class "J" Shares shall not be entitled to participate in any further distribution of the assets of the Company.

(d) Redeemable:

Any Class "J" Share may be redeemed by the holder on thirty (30) days written notice to the Company at an amount equal to the redemption value set by the Directors at the time of issuance.

(e) Retractable

Any Class "J" Share may be retracted at the option of the Company on thirty (30) days written notice to the Holder at an amount equal to the consideration for which such Share may be redeemed.

(f) Non-convertible:

No Class "J" Share may be converted into any other class of Share of the Company.

(g) No Pre-Emptive Right:

No Class "J" Share shall carry a pre-emptive right to acquire any class of share offered for issue by the Company.

CLASS "K" SHARES

12. The Class "K" Shares shall be issued only as a specified class pursuant to subsection 256(1.1) of The Income Tax Act and shall have the following rights, privileges and restrictions:

(a) Non-Voting:

Each Share shall carry one (1) vote only at meetings at which only the holders of Class "K" Shares are entitled to vote pursuant to the provisions of The Business Corporations Act in specified matters pertaining to the amendment of the Articles of Incorporation, amalgamation, and dispositions of substantially all of the property of the Corporation other than in the ordinary course of business.

(b) Dividends (Participating):

Each Share shall be entitled to participate, based on the number of Shares issued in the net income of the Company to the complete or partial exclusion of any other Class or Classes of Shares of the Company as the Directors may declare at the time of issuance PROVIDED THAT the amount of each dividend payable on the Class "K" Shares shall be a fixed amount or a percentage of the an amount equal to the fair market value of the consideration for which the Class "K" Share was issued, AND PROVIDED FURTHER that annual rate of dividend on the Class "K" Shares shall not exceed the prescribed rate of interest at the time of issuance, under The Income Tax Act, subsection 256(1.1), as amended from time to time.

(c) Liquidation (Preference, Non-Participating):

In the event of the distribution of the assets of the Company to its Shareholders on liquidation, winding-up, etc., such assets shall be distributed on a pro rata basis among the Class "K" Shares to a maximum of the redemption value of the Class "K" Shares, but only after payment in full of the preferred claims of the Class "H" Shares, Class "I" Shares, and Class "J" Shares, and thereafter the Class "K" Shares shall not be entitled to participate in any further distribution of the assets of the Company.

(d) Redeemable:

Any Class "K" Share may be redeemed by the holder on thirty (30) days written notice to the Company at an amount equal to the fair value of the consideration for which such Share was issued, including any premium on issue, plus any unpaid declared Dividends thereon. The fair value of the consideration for which such Share was issued shall be determined at the time of issuance, subject to adjustment in the event of a dispute with Canada Revenue Agency (or any similar taxing authority) regarding the determination of the fair value.

(e) Retractable

Any Class "K" Share may be retracted at the option of the Company on thirty (30) days written notice to the Holder at an amount equal to the consideration for which such Share may be redeemed.

(f) Non-convertible:

No Class "K" Share may be converted into any other class of Share of the Company.

(g) No Pre-Emptive Right:

No Class "K" Share shall carry a pre-emptive right to acquire any class of share offered for issue by the Company.

SCHEDULE TWO

RESTRICTIONS ON TRANSFER OF SHARES

1. The right of Shareholders to transfer or dispose of their Shares shall be subject to the following restrictions:

(a) A Share may be transferred by a Shareholder, or by any other person entitled to transfer the same, to any person, whether a Shareholder of the Company or not, if such transfer be approved or consented to by a Resolution of the Board.

(b) The Board may refuse to register any Transfer of a Share where the Company has a Lien on such Share.

RESTRICTIONS ON THE NUMBER OF SHAREHOLDERS

2. The number of Shareholders of the Company shall not at any time exceed Fifty (50), (Exclusive of persons who are in the employment of the Company and the persons, who having been formerly in the employment of the Company, were, while in such employment, Shareholders of the Company, and have continued after the termination of such employment to be Shareholders of the Company), provided that where two (2) or more persons held one (1) or more Shares jointly they shall for the purpose of this definition be treated as a single member.

RESTRICTIONS ON THE SUBSCRIPTIONS FOR SHARES

3. No invitation shall be made to the Public to subscribe for any Shares of the Company.

SCHEDULE THREE

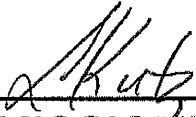
1. If authorized by by-law, duly passed by the Directors and confirmed by special resolution of the Shareholders, the Directors of the Corporation may, from time to time:

- (a) Borrow money upon the credit of the Corporation;
- (b) Issue, reissue, pledge or sell debentures or other debt securities of the Corporation; and
- (c) Mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Corporation, real and personal, movable and immovable, owned or subsequently acquired to secure any debt obligation of the Corporation.

Any such by-law may provide for the delegation of such powers by the Directors to such Officer(s) or Director(s) of the Corporation to such extent and in such manner as may be set out in the by-law.

Nothing herein limits or restricts the borrowing of money by the Corporation on bills of exchange or promissory notices made, drawn, accepted and endorsed by or on behalf of the Corporation.

THIS IS EXHIBIT "4"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

BY LAW NO. 1

A BYLAW RELATING GENERALLY TO THE TRANSACTION
OF THE BUSINESS AND AFFAIRS OF:

1823741 Alberta Ltd.

CONTENTS

| | |
|--------------|--|
| ARTICLE I | Interpretation |
| ARTICLE II | Business of the Corporation |
| ARTICLE III | Directors |
| ARTICLE IV | Committees |
| ARTICLE V | Officers |
| ARTICLE VI | Protection of Directors, Officers and Others |
| ARTICLE VII | Shares |
| ARTICLE VIII | Dividends |
| ARTICLE IX | Meetings of Shareholders |
| ARTICLE X | Notices |
| ARTICLE XI | Conflict with Act and Agreement |

ARTICLE I

INTERPRETATION

1.01 DEFINITIONS. In the Bylaws of the Corporation, unless the context otherwise requires:

"Act" means the *Business Corporations Act*, R.S.S., c.B-10, as from time to time amended, or any statute that may be substituted therefor;

"Appoint" includes "elect" and vice versa;

"Articles" means the Articles attached to the Certificate of Incorporation of the Corporation, as from time to time amended or restated;

"Bylaws" means this Bylaw and all other Bylaws of the Corporation from time to time in force and effect;

"Corporation" means 1823741 ALBERTA LTD.

"Non-business Day" means Saturday and any other day that is a holiday as defined in the *Interpretation Act*, R.S.A. 1981, as from time to time amended;

"Recorded Address" means, in the case of shareholder, his address as recorded in the securities register; in the case of joint shareholders, the address appearing in the securities register in respect of such joint holding or the first address so appearing if there is more than one; and in the case of director, officer, auditor or member of a committee of the directors, his latest address as recorded in the records of the Corporation;

"Signing Officer" means, in relation to any instrument, any person authorized to sign or certify the same on behalf of the Corporation by Section 2.03 or by a resolution passed pursuant thereto;

Save as aforesaid, words and expressions defined in the Act have the same meaning when used herein and words importing the singular number include the plural and vice versa; words importing gender include the masculine, feminine and neuter genders; and words importing persons include individuals, bodies corporate, partnerships, trusts and unincorporated organizations.

ARTICLE II

BUSINESS OF THE CORPORATION

2.01 CORPORATE SEAL. The corporate seal of the Corporation shall be in the form impressed on the margin in the copy of this Bylaw in the records of the Corporation or as determined from time to time by resolution of the Directors.

2.02 FINANCIAL YEAR. The financial year of the Corporation shall terminate on such date as may be determined from time to time by resolution of the Directors of the Corporation.

2.03 EXECUTION OF INSTRUMENTS. The Seal shall be affixed to all documents requiring execution under the corporate seal of the Corporation by the President and Secretary or by such party or parties as may be authorized, from time to time, by the Board.

2.04 BANKING ARRANGEMENTS. The banking business of the Corporation including, without limitation, the borrowing of money and the giving of security therefor, shall be transacted with such banks, trust companies or other bodies corporate or organizations as may from time to time be designated by or under the authority of the Directors. Such banking business or any part thereof shall be transacted under such agreements, instructions and delegations of powers as the directors may from time to time prescribe or authorize.

2.05 VOTING RIGHTS IN OTHER BODIES CORPORATE. The directors may from time to time direct the manner in which and designate the person or persons by whom the voting rights attaching to any securities held by the Corporation may or shall be exercised. The signing officers may execute and deliver instruments of proxy and arrange for the issuance of voting certificates or other evidence of the right to exercise such rights and, in the absence of a resolution of the directors, may direct the manner in which and designate the person or persons by whom such rights may or shall be exercised.

ARTICLE III

DIRECTORS

3.01 QUORUM. Subject always to any provisions to the contrary in the Articles of Incorporation, or the Articles of Continuance, or any amendments thereto, the quorum for the transaction of business at any meeting of the directors shall consist of a majority of the minimum number of directors specified in the Articles or such greater number as the directors may from time to time by resolution determine. Notwithstanding any vacancy among the directors, a quorum of directors may exercise all the powers of the directors.

3.02 ELECTION AND TERM. The election of directors shall take place at each annual meeting of shareholders and all the directors then in office shall retire but, if qualified, shall be eligible for re-election. The number of directors to be elected at any such meeting shall be the number of directors then in office unless the directors or the shareholders otherwise determine. The election shall be by ordinary resolution. A director need not be a shareholder of the Corporation.

3.03 REMOVAL OF DIRECTORS. Subject to the provisions of the Act, the shareholders may by ordinary resolution passed at a special meeting remove any director from office and the vacancy created by such removal may be filled at the same meeting failing which it may be filled by the directors as provided in Section 3.05.

3.04 VACATION OF OFFICE. A director ceases to hold office when:

- (a) he dies;
- (b) he is removed from office by the shareholders;
- (c) he ceases to be qualified for election as a director as provided in the Act; or
- (d) his written resignation is sent or delivered to the Corporation, or, if a time is specified in such resignation, at the time so specified, whichever is later.

3.05 VACANCIES. A quorum of the directors may fill a vacancy among the directors, except a vacancy resulting from an increase in the minimum number of directors or from a failure of the shareholders to elect the minimum number of directors. If there is not a quorum of directors, or if there has been a failure to elect the minimum number required by the articles, the directors then in office shall forthwith call a special meeting of shareholders to fill the vacancy. If the directors fail to call such meeting or if there are no directors then in office, any shareholder may call the meeting. The shareholders may also fill any vacancy among the directors at any meeting duly called for that purpose. A vacancy created by the removal of a director may be filled by the shareholders at the meeting at which the director is removed or, if not so filled, may be filled by a quorum of the directors.

3.06 ACTION BY THE DIRECTORS. The directors shall manage the business and affairs of the Corporation. The powers of the directors may be exercised by resolution passed at a meeting at which a quorum is present or by resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of directors, and such resolution shall be effective from and relate back to the date stated thereon.

3.07 MEETINGS BY TELEPHONE. If all the directors consent, a director may participate in a meeting of the directors or of a committee of the directors by means of such telephone or other communications facilities as permit all persons participating in the meeting to hear each other and a director participating in such a meeting by such means is deemed to be present at the meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the directors and of committees of the directors held while a director holds office.

3.08 PLACE OF MEETINGS. Meetings of the directors or of any committee of directors may be held at any place in or outside Canada.

3.09 CALLING OF MEETINGS. Meetings of the directors shall be held from time to time and at such place as the Chairman of the Board, the President or any two (2) directors may determine.

3.10 NOTICE OF MEETING AND WAIVER OF NOTICE. Notice of the time and place of each meeting of the directors shall be given in the manner provided in Section 10.01 to each director not less than forty-eight (48) hours before the time when the meeting is to be held. A notice of a meeting of directors shall specify such matters to be dealt with at the meeting as are required by the Act to be specified therein but need not specify the purpose of or the business to be transacted at the meeting. A director may in any manner and at any time waive notice of or otherwise consent to a meeting of the directors.

3.11 FIRST MEETING OF NEW DIRECTORS. Provided a quorum of directors is present, the newly elected directors may without notice hold their first meeting immediately following the meeting of shareholders at which such directors are elected.

3.12 NOTICE OF ADJOURNED MEETING. Notice of an adjourned meeting of the directors is not required if the time and place of the adjourned meeting is announced at the original meeting.

3.13 CHAIRMAN. The chairman of any meeting of the directors shall be the first mentioned of such of the following persons as have been appointed and who is a director and is present at the meeting: Chairman of the Board, Vice-Chairman of the Board or President. If no such person is present, or if such persons decline to act, the directors present shall choose one (1) of their number to be Chairman.

3.14 VOTES TO GOVERN. At all meetings of the directors every question shall be decided by a majority of the votes cast on the question. In the case of an equality of votes the chairman of the meeting shall be entitled to a second or casting vote.

3.15 CONFLICT OF INTEREST. A director who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation shall disclose the nature and extent of his interest at the time and in the manner provided by the Act. A director interested in a contract or proposed contract shall be entitled to vote on any resolution to approve the same.

3.16 REMUNERATION OF DIRECTORS AND OTHERS. The directors of the Corporation may fix, from time to time, the remuneration of the directors, officers and employees of the Corporation.

ARTICLE IV

COMMITTEES

4.01 EXECUTIVE COMMITTEE. The directors may appoint an executive committee consisting of three (3) directors, or such larger number of directors as the directors may from time to time determine, to hold office until their successors are appointed. The executive committee shall meet at such times as the members shall determine. Notice of any meeting may be given personally or by telephone or in any other manner provided in this Bylaw or in the Act. During the intervals between meetings of the directors the executive committee shall possess and may exercise (subject to any restrictions contained in the Act or imposed from time to time by the directors) all the powers of the directors to manage the business and affairs of the Corporation in such manner as the executive committee shall deem in the best interests of the Corporation. All proceedings of the executive committee shall be open to the examination of the directors and shall be reported to the directors if and when the directors so direct. The directors may from time to time remove any member from the executive committee and may also from time to time fill any vacancy which may occur in the membership of the executive committee.

4.02 OTHER COMMITTEES OF DIRECTORS. The directors may appoint one or more other committees of directors, however designated, and delegate to such committees any of the powers of the directors except those which, under the Act, a committee of directors has no authority to exercise.

4.03 TRANSACTION OF BUSINESS. The powers of a committee of directors may be exercised by resolution passed at a meeting at which a quorum is present or by resolution in writing signed by all the members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. Meetings of committees may be held at any place in or outside Canada.

4.04 PROCEDURE. Unless otherwise determined herein or by the directors, each committee shall have the power to fix its quorum at not less than a majority of its members, to elect its Chairman and to regulate its procedure.

4.05 AUDIT COMMITTEE. If the Act requires the appointment of an audit committee, the Directors shall appoint an audit committee consisting of three (3) directors, or such larger number of directors as the directors may from time to time determine, to hold office until their successors are appointed. A majority of the members of the audit committee shall be directors who are not officers or employees of the Corporation or of its affiliates. The audit

committee shall review the financial statements of the Corporation before such financial statements are approved, pursuant to the provisions of the Act, by the directors.

The audit committee shall send notice of every meeting of the committee to the auditors of the Corporation and the auditors shall be entitled to attend and be heard at every meeting and, if requested by any member of the audit committee, shall attend every meeting of the audit committee held during the term of office of the auditors.

Notice of any meeting of the audit committee may be given personally or by telephone or in any other manner provided in this Bylaw or in the Act. The auditors of the Corporation or any member of the audit committee may call a meeting of the audit committee. The audit committee shall report to the directors at least once during each financial year and also whenever requested by the directors.

The audit committee shall have the right for the purposes of the proper performance of its functions to meet at any reasonable time with the Corporation's auditors, chief accounting officer, internal auditor or legal officer. When it or the directors deem necessary, the audit committee shall report to the directors upon:

- (a) the quality, staffing and activities of the Corporation's accounting, internal audit and financial control departments; and
- (b) the Corporation's accounting and financial reporting methods.

At the completion of the annual audit examination, the audit committee shall, in addition to the requirements of the Act, if requested by the directors, review and report to the directors upon:

- (i) the financial statements and the report of the auditors proposed to be included in the annual report to shareholders;
- (ii) the accounting principles and policies adopted in such financial statements and the auditors' report thereon; and
- (iii) actions taken with respect to recommendations and comments contained in prior years' auditors' management letters.

4.06 Any director who ceases for any reason to be a director of the Corporation shall, upon ceasing to be a director, thereupon also cease to be a member of each and every committee of the directors of the Corporation.

ARTICLE V

OFFICERS

5.01 **APPOINTMENT.** The directors may from time to time appoint a Chairman of the Board, Vice-Chairman of the Board, President, one (1) or more Vice- Presidents (to which title may be added words indicating seniority or function), a Secretary, a Treasurer and such other officers as the directors may determine, including one (1) or more assistants to any of the officers so appointed. The directors may specify the duties of and, in accordance with this Bylaw and subject to the provisions of the Act, delegate to such officers powers to manage the business and affairs of the Corporation. Subject to Sections 5.02, 5.03 and 5.04, an officer may, but need not be, a director and one person may hold more than one (1) office.

5.02 **CHAIRMAN OF THE BOARD.** The Chairman of the Board shall be a director, shall be the chief executive officer of the Corporation and shall have such other duties and powers as the directors may specify and delegate. During the absence or disability of the

Chairman of the Board, his duties shall be performed and his powers exercised by the Vice-Chairman of the Board or by the President or by any other director designated by the directors.

5.03 VICE-CHAIRMAN OF THE BOARD. The Vice-Chairman of the Board shall be a director and shall have such duties and powers as the directors may specify and delegate.

5.04 PRESIDENT. The President shall be a director, shall be the chief operating officer of the Corporation (and the chief executive officer if there is neither a Chairman of the Board or a Vice-Chairman of the Board), shall (subject to the authority of the directors) have general supervision of the business of the Corporation (including the authority to employ or discharge agents and employees of the Corporation) and shall have such other duties and powers as the directors may specify and delegate. The President shall at all reasonable times give to the directors, or any of them, all information they may require regarding the affairs of the Corporation.

5.05 VICE-PRESIDENTS. Each Vice-President shall have such duties and powers as the directors may specify and delegate.

5.06 SECRETARY. The Secretary, as and when requested to do so, shall attend and be the secretary of all meetings of the directors, shareholders and committees of the directors and shall enter or cause to be entered in records kept for that purpose minutes of all proceedings thereat, shall give or cause to be given, as and when instructed, all notices to shareholders, directors, officers, auditors and members of committees of directors, and shall have such other powers and duties as the directors may specify and delegate. The Secretary shall at all reasonable times exhibit his records to any director.

5.07 TREASURER. The Treasurer shall keep proper accounting records in compliance with the Act and shall be responsible for the deposit of money, the safekeeping of securities and the disbursement of funds of the Corporation, shall render to the directors whenever required an account of all his transactions as Treasurer and of the financial position of the Corporation, shall be the custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Corporation and of all books, papers, records, documents and instruments belonging to the Corporation, except when some other officer or agent has been appointed for that purpose, and shall have such other duties and powers as the directors may specify and delegate. The Treasurer shall at all reasonable times exhibit his books and accounts to any director.

5.08 POWERS AND DUTIES OF OTHER OFFICERS. The powers and duties of all other officers shall be such as the terms of their engagement call for or as the directors may specify and delegate. Any of the duties and powers of an officer to whom an assistant has been appointed may be exercised and performed by such assistant unless the directors otherwise direct.

5.09 VARIATION OF POWERS AND DUTIES. The directors may from time to time vary, add to or limit the duties and powers of any officer.

5.10 TERM OF OFFICE. The directors may at any time, in their discretion, remove any officer of the Corporation without prejudice to such officer's rights under any employment contract. Otherwise each officer appointed by the directors shall hold office until his successor is appointed.

5.11 CONFLICT OF INTEREST. An officer of the Corporation who is a party to, or is a director or officer of or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation shall disclose in writing to the

Corporation or request to have entered in the minutes of the directors the nature and extent of his interest at the time and in the manner provided by the Act.

5.12 **AGENTS AND ATTORNEYS.** The directors shall have power from time to time to appoint agents or attorneys for the Corporation in or outside Canada with such duties and powers (including the power to sub-delegate) as may be thought fit.

ARTICLE VI

PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

6.01 **LIMITATION OF LIABILITY.** No director or officer shall be liable for the acts, receipts, neglects or defaults of any other director, officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the monies of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the monies, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error or judgment or oversight on his part or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same are occasioned by his own willful neglect or default; provided that nothing herein shall relieve any director or officer from the duty to act in accordance with the Act and the regulations thereunder or from liability for any breach thereof.

6.02 **INDEMNITY** Subject to the limitations contained in the Act, the Corporation shall indemnify a director or officer, a former director or officer, or a person who acts or acted at the Corporation's request as a director or officer of the Corporation or a body corporate of which the Corporation is or was a shareholder or creditor (or a person who undertakes or has undertaken any liability on behalf of the Corporation or any such body corporate) and his heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a director or officer of the Corporation or such body corporate (or undertaking or having undertaken any liability on behalf of the Corporation or any such body corporate), if:

- (a) he acted honestly and in good faith with a view to the best interests of the Corporation; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful.

ARTICLE VII

SHARES

7.01 MAINTENANCE OF REGISTER. The directors may from time to time appoint an agent to maintain the central securities register and branch securities registers, if any. The directors may at any time terminate any such appointment.

7.02 SHARE CERTIFICATES. Every holder of one (1) or more shares of the Corporation shall be entitled, at his option, to a share certificate, or to a non-transferable written acknowledgement of his right to obtain a share certificate, stating the number and class or series of shares held by him as shown on the securities register or registers. Share certificates and acknowledgements of a shareholder's right to a share certificate, respectively, shall be in such form as the directors shall from time to time approve and shall comply with the provisions and requirements of the Act. Share certificates need not be under the corporate seal. Unless the directors otherwise determine, certificates representing shares in respect of which a transfer agent and/or registrar has been appointed shall not be valid unless countersigned by or on behalf of such transfer agent and/or registrar. The signature of one of the signing officers or, in the case of share certificates which are not valid unless countersigned by or on behalf of a transfer agent and/or registrar, the signatures of two (2) signing officers, may be printed or mechanically reproduced in facsimile upon share certificates and every such facsimile signature shall for all purposes be deemed to be the signature of the officer whose signature it reproduces and shall be binding upon the Corporation. A share certificate executed as aforesaid shall be valid notwithstanding that one (1) or both of the officers whose facsimile signature appears thereon no longer holds office at the date of issue of the certificate.

7.03 REPLACEMENT OF SHARE CERTIFICATES. The directors or any officer or agent designated by the directors may in their or his discretion direct the issue of a new share certificate in lieu of and upon cancellation of a share certificate that has been mutilated or in substitution for a share certificate claimed to have been lost, destroyed or wrongfully taken, on such terms as to indemnity, reimbursement of expenses and evidence of loss and of title as the Treasurer (or, in the absence of or failure to act by the Treasurer, the directors) may from time to time prescribe, whether generally or in any particular case.

7.04 JOINT SHAREHOLDERS. The Corporation is not required to issue more than one (1) share certificate in respect of shares held jointly by two (2) or more persons and delivery of such certificate to one (1) of such persons shall be sufficient delivery to all of them.

7.05 DECEASED SHAREHOLDERS. In the event of the death of a holder, or of one (1) or more of the joint holders, of any share, the Corporation shall not be required to make any entry in the securities register in respect thereof or to make payment of any dividends thereon except upon production of all such documents as may be required by the Act or otherwise by law and/or upon compliance with the reasonable requirements of the Corporation and its transfer agents.

ARTICLE VIII

DIVIDENDS

8.01 DIVIDEND CHEQUES. A dividend payable in cash shall be paid by cheque drawn on the Corporation's bankers or one (1) of them to the order of each registered holder of shares of the class or series of which it has been declared and mailed by prepaid ordinary mail to such registered holder at his recorded address, unless such holder otherwise

directs. In the case of joint holders the cheque shall, unless such joint holders otherwise direct, be made payable to the order of all of such joint holders and mailed to them at their recorded address. The mailing of such cheque as aforesaid, unless the same is not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold.

8.02 NON-RECEIPT OF CHEQUES. In the event of non-receipt of any dividend cheque by the person to whom it is sent as aforesaid, the Corporation shall issue to such person a replacement cheque for a like amount on such terms as to indemnity, reimbursement of expenses and evidence of non-receipt and of title as the Treasurer (or, in the absence of or failure to act by the Treasurer, the directors) may from time to time prescribe, whether generally or in any particular case.

8.03 UNCLAIMED DIVIDENDS. Any dividend unclaimed after a period of six (6) years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation.

ARTICLE IX

MEETINGS OF SHAREHOLDERS

9.01 ANNUAL MEETINGS. The annual meeting of shareholders shall be held at such time in each year as the directors may from time to time determine for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors and appointing auditors and for the transaction of such other business as may properly be brought before the meeting.

9.02 SPECIAL MEETINGS. The directors may call a special meeting of shareholders at any time.

9.03 PLACE OF MEETINGS. Meetings of shareholders shall be held at the registered office of the Corporation or elsewhere in the municipality in which the registered office is situated or, if the directors shall so determine, at some other place in Canada.

9.04 NOTICE OF MEETINGS. Notice of the time and place of each meeting of shareholders shall be given, in the manner provided in Section 10.01 and not less than twenty-one (21) or more than fifty (50) days before the date on which the meeting is to be held, to each director, to the auditors and to each shareholder entitled to receive notice of the meeting. Notice of a meeting of shareholders called for any purpose other than consideration of the financial statements and auditors' report, election of directors and re-appointment of the incumbent auditors shall state the nature of such business in sufficient detail to permit the shareholder to form a reasoned judgment thereon and shall state the text of any special resolution to be submitted to the meeting.

9.05 CHAIRMAN, SECRETARY AND SCRUTINEERS. The Chairman of any meeting of shareholders shall be the first mentioned of such of the following persons as has been appointed and who is present at the meeting: Chairman of the Board, Vice-Chairman of the Board, President or a Vice-President who is a shareholder. If no such person is present within fifteen (15) minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one (1) of their number to be Chairman. If the Secretary of the Corporation is absent, the chairman shall appoint some person, who need not be a shareholder, to act as Secretary of the

meeting. One (1) or more scrutineers, who need not be shareholders, may be appointed by ordinary resolution of the shareholders or by the Chairman with the consent of the meeting.

9.06 PERSONS ENTITLED TO BE PRESENT. The only persons entitled to be present at a meeting of shareholders shall be those entitled to vote thereat, the directors and auditors of the Corporation and others who, although not entitled to vote, are entitled or required under any provision of the Act or the Articles or Bylaws to be present at the meeting. Any other person may be admitted only on the invitation of the Chairman or with the consent of the meeting.

9.07 QUORUM. A quorum for the transaction of business at any meeting of shareholders shall be the holders of at least twenty (20%) per cent of the shares of each class entitled to vote at the meeting present in person or by proxy. If a quorum is present at the opening of a meeting, the shareholders present or represented by proxy may proceed with the business of the meeting notwithstanding that a quorum is not present throughout the meeting. If a quorum is not present at the opening of a meeting of shareholders, the shareholders present or represented by proxy may adjourn the meeting to a fixed time and place but may not transact any other business.

9.08 PROXIES. Every shareholder entitled to vote at a meeting of shareholders may by means of a proxy appoint a proxyholder, or one or more alternative proxyholders, who need not be a shareholder or shareholders, to attend and act at the meeting in the manner and to the extent authorized and with the authority conferred by the proxy. A proxy shall be in writing executed by the shareholder or his attorney authorized in writing and shall conform with the requirements of the Act. A proxy is valid only at the meeting in respect of which it is given or at any adjournment thereof and may be revoked in accordance with the provisions of the Act.

9.09 VOTING AND VOTES TO GOVERN. At any meeting of shareholders every question shall, unless otherwise required by the Articles or Bylaws or Bylaw, be determined by the majority of the votes cast on the question. In the case of an equality of votes either upon a show of hands or upon a ballot, the Chairman of the meeting shall be entitled to a second or casting vote.

9.10 SHOW OF HANDS. Subject to the provisions of the Act, any question at a meeting of shareholders shall be decided by a show of hands unless a ballot thereon is required or demanded as provided by section 9.11. Upon a show of hands every person who is present and entitled to vote shall have one (1) vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the Chairman of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question. The result of the vote so taken shall be the decision of the shareholders upon the said question, unless a ballot is demanded or required immediately after the show of hands.

9.11 BALLOTS. On any question proposed for consideration at a meeting of shareholders, and whether or not a show of hands has been taken thereon, any shareholder or proxyholder entitled to vote at the meeting may require or demand a ballot. A ballot so required or demanded shall be taken in such manner as the Chairman shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken each person present shall be entitled, in respect of the shares which he is entitled to vote at the meeting upon the question, to that number of votes provided by the Act or the Articles, and the result of the ballot so taken as reported on by the scrutineers (if they have been appointed) shall be the decision of the shareholders upon the said question.

9.12 ADJOURNMENT. If a meeting of shareholders is adjourned for less than thirty (30) days, it shall not be necessary to give notice of the adjourned meeting other than by announcement at the earlier meeting that is adjourned.

ARTICLE X

NOTICES

10.01 MANNER OF GIVING NOTICE. Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) pursuant to the Act, the regulations thereunder, the Articles, the Bylaws or otherwise to a shareholder, director, officer, auditor or member of a committee of the directors shall be sufficiently given if delivered personally to the person to whom it is to be given or if delivered to his recorded address or if mailed to him at his recorded address by prepaid mail or if sent to him at his recorded address by means of telex, telecopier, telegram or any means of transmitted or recorded communication. A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been received as provided in the Act; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when actually transmitted by the person giving such notice, or if dispatched or delivered to the communication Corporation or its agency or its representative when such communication Corporation or agency actually transmits such notice. The Secretary shall change or cause to be changed the recorded address of any shareholder, director, officer, auditor or member of a committee of the directors in accordance with any information believed by him to be reliable.

10.02 NOTICE OF JOINT SHAREHOLDERS. If two (2) or more persons are registered as joint holders of any share, any notice shall be addressed to all such joint holders but notice to one (1) of such persons shall be sufficient notice to all of them.

10.03 COMPUTATION OF TIME. In computing the date when notice must be given under any provision requiring a specified number of days' notice of any meeting or other event, the date of giving the notice shall be excluded and the date of the meeting or other event shall be included.

10.04 OMISSIONS AND ERRORS. The accidental omission to give any notice to any shareholder, director, officer, auditor or member of a committee of the directors or the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

10.05 PERSONS ENTITLED BY DEATH OR OPERATION OF LAW. Every person who, by operation of law, transfer, death of a shareholder or any other reason whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share which shall have been duly given to the shareholder from whom he derives his title to such share prior to his name and address being entered on the securities register (whether such notice was given before or after the happening of the event upon which he became so entitled) and prior to his furnishing to the Corporation the proof of authority or evidence of his entitlement prescribed by the Act.

10.06 WAIVER OF NOTICE. Any shareholder (or his duly appointed proxyholder), director, officer, auditor or member of a committee of the directors may at any time waive any notice, or waive or abridge the time for any notice, required to be given to him under any provision of the Act, the regulations thereunder, the Articles, the Bylaws or otherwise and such waiver or abridgement shall cure any default in the giving or in the time of such notice, as the case may be.

Any such waiver or abridgement shall be in writing except a waiver of notice of a meeting of shareholders or of the directors which may be given in any manner.

ARTICLE XI

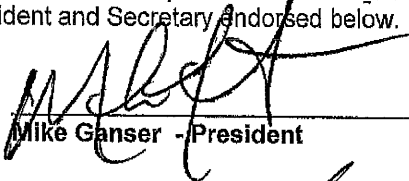
CONFLICT WITH ACT AND AGREEMENT

11.01 **ACT PREVAILS.** In the event any provision of this Bylaw or any other Bylaw of the Corporation is inconsistent with the provisions of the Act, the provisions of the Act shall prevail and shall be deemed to be incorporated herein by way of amendment retroactive to the date of the enactment of such Bylaw.

11.02 **AMENDMENT OF ACT.** In the event any provision of this Bylaw of any other bylaw of the Corporation becomes inconsistent with any provision of the Act due to any amendment of the Act, such provision as amended shall be deemed to be incorporated herein by way of amendment retroactive to the effective date of such provision in the Act.

11.03 **UNANIMOUS SHAREHOLDER AGREEMENTS.** In the event any provision of this Bylaw or any other bylaw of the Corporation becomes inconsistent with any provision in a Unanimous Shareholder Agreement due to the execution of such an Agreement, the provisions of the Unanimous Shareholder Agreement shall prevail and shall be deemed to be incorporated herein by way of an amendment retroactive to the effective date of the Unanimous Shareholder Agreement.

ADOPTED AND APPROVED by the Directors of the Corporation as of the 22nd day of May, 2014 and CONFIRMED by the Shareholders of the Corporation as of the 22nd day of May, 2014, as evidenced by the signature of the President and Secretary endorsed below.



Mike Ganser - President



Mark Haldane - Secretary

BYLAW NO. 2

**A BYLAW RELATING GENERALLY TO THE
BORROWING OF MONEY OF:**

1823741 ALBERTA LTD.

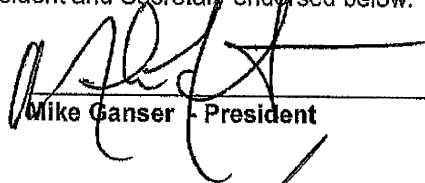
The Directors of the Corporation may from time to time:

- (a) Borrow money upon the credit of the Corporation;
- (b) Issue, reissue, sell or pledge debt obligations of the Corporation; and
- (c) Mortgage, hypothecate, pledge or otherwise create a security interest in all or any of the property of the Corporation, owned or subsequently acquired to secure any debt obligation of the Corporation.


Nothing herein limits or restricts the borrowing of money by the Corporation on Bills of Exchange or Promissory Notes made, drawn, accepted or endorsed by or on behalf of the Corporation.

The Board may from time to time delegate to a committee of the Board, a director or an officer of the Corporation or any other person as may be designated by the Board all or any of the powers conferred on the Board by Section 2.04 or by the Act to such extent and in such manner as the Board may determine at the time of such delegation.

ADOPTED AND APPROVED by the Directors of the Corporation as of the 22nd day of May, 2014 and CONFIRMED by the Shareholders of the Corporation as of the 22nd day of May, 2014, as evidenced by the signature of the President and Secretary endorsed below.

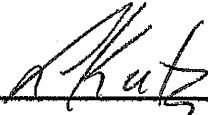


Mike Ganser - President



Mark Haldane - Secretary

THIS IS EXHIBIT "5"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

Government of Alberta ■ Trade Name / Partnership Search

Corporate Registration System

Date of Search: 2023/03/21
Time of Search: 10:43 AM
Search provided by: CARON & PARTNERS LLP
Service Request No: 39395141
Customer Reference No: 61882-000/TB

Registration No: TN18530857
Current Business Name: KWIK-FAB ENERGY SERVICES
Status of Business Name: Active
Trade Name / Partnership Type: Trade Name
Commencement Date: 2014/10/09 YYYY/MM/DD
Date of Registration: 2014/10/09 YYYY/MM/DD
Type of Business: FABRICATOR

Current Declarant:

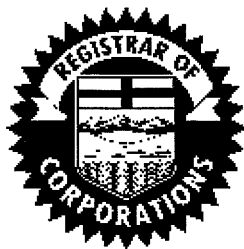
Last/Legal Entity Name: 1823741 ALBERTA LTD.
Street: PO BOX 2258
City: SUNDRE
Province: ALBERTA
Postal Code: T0M1X0

Other Information:

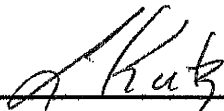
Filing History:

| List Date | Type of Filing |
|------------|---------------------|
| 2014/10/09 | Register Trade Name |

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



THIS IS EXHIBIT "6"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

From: Mike <mgkwik@gmail.com>
Sent: Tuesday, June 23, 2020 9:38 AM
To: Accounting <accounting@kwik-fab.ca>
Cc: Mark Haldane <markhaldane@kwik-fab.ca>
Subject: Re: Year End

Thank-you!

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Accounting
Sent: Tuesday, June 23, 2020 9:33 AM
To: Mike
Cc: Mark Haldane
Subject: RE: Year End

The following is a breakdown of loans by Brenda and Mark.

Brenda loaned \$50,000 on Oct. 31/19

Mark : Feb./15 loaned \$20,000

Apr./15 took out \$40,000

Mar./16 loaned \$50,000 and \$20,000 and \$25,000

May/16 loaned \$7,500

Dec/18 loaned \$21,000 and \$31,500

For a total of \$135,000

Hope this helps.

Jean

From: Mike [<mailto:mgkwik@gmail.com>]
Sent: Monday, June 22, 2020 3:46 PM
To: Jean Roberts <jeanr@kwik-fab.ca>
Subject: Re: Year End

MNP probably does, but there is some figuring on my part to do.

Thanks Jean!

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Jean Roberts
Sent: Monday, June 22, 2020 3:43 PM
To: Mike
Subject: RE: Year End

Sorry, I thought they already had that. I can get to that tomorrow (all going well!!)

From: Mike [<mailto:mgkwik@gmail.com>]
Sent: Monday, June 22, 2020 3:43 PM

To: Accounting <accounting@kwik-fab.ca>
Subject: Re: Year End

The amounts and day the transaction happened.

Thanks

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Accounting
Sent: Monday, June 22, 2020 3:41 PM
To: Mike
Subject: RE: Year End

What kind of breakdown are you looking for? Mark is checking the life insurance on the BDC loan.
Jean

From: Mike [<mailto:mgkwik@gmail.com>]
Sent: Monday, June 22, 2020 3:38 PM
To: Accounting <accounting@kwik-fab.ca>
Cc: Mark Haldane <markhaldane@kwik-fab.ca>
Subject: Re: Year End

There is no breakdown yet? Also, did we check the life insurance on the BDC loan?

Regards,

Mike

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Mike
Sent: Tuesday, June 16, 2020 12:17 PM
To: Accounting
Cc: Mark Haldane
Subject: Re: Year End

Thanks, we will need the breakdown for the accountants.

Have a good day!

Mike

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Accounting
Sent: Tuesday, June 16, 2020 12:00 PM
To: Mike Ganser
Cc: Mark Haldane

Subject: RE: Year End

Since Dec. 2019., Mark Haldane has had a loan of \$135,000 to Kwik-Fab and as of Dec. 2019, Brenda has a loan outstanding of \$50,000.

From: Mike Ganser [<mailto:mgkwik@gmail.com>]

Sent: Sunday, June 14, 2020 8:03 AM

To: Accounting <accounting@kwik-fab.ca>; Mark Haldane <markhaldane@kwik-fab.ca>

Subject: Year End

Jean,

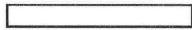
Mark mentioned the other day, that there are some loans from himself and Brenda, could you please send those to Mark and myself so we can have the accountant help us decide where they should go.

Could you check the BDC loan to see if we have life insurance through them ?

Thanks,

Mike

--


Ph. (780) 753-0982
Fax (780) 753-4705

THIS IS EXHIBIT "7"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

MOUNTAIN VIEW FINANCIAL
SUNDRE BRANCH
117 Centre, St N
Sundre AB T0M1X0

OCT 2019

31 Oct, 2019 11:00 AM
Teller Number: 44148
Branch: 314
Seq. #: 9553

ML to KF

SOM

BUS Optimizer

Acct#: 723110957823

Deposit

Transaction Amt: \$50,000.00 (CAD)

Current Balance: \$41,182.14

Available Balance: \$66,182.14

ELITE Savings

Acct#: 72311163652

Withdrawal

Transaction Amt: \$(50,000.00) (CAD)

Current Balance: \$15,955.45

Available Balance: \$15,955.45

PER Optimizer

Acct#: 72311160591

Withdrawal

Transaction Amt: \$(100.00) (CAD)

Current Balance: \$1,709.50

Available Balance: \$1,709.50

Home Free

Acct#: 723111082555

Deposit

Transaction Amt: \$100.00 (CAD)

Current Balance: \$1,006.09

Available Balance: \$24,493.91

Signature

1823741 ALBERTA LTD.



A division of Connecticut Credit Union #
 MAKING MONEY MAKE A DIFFERENCE

MEMBER STATEMENT

MOUNTAIN VIEW FINANCIAL - SUNDRE BRANCH
 117 Centre St N - Branch 314
 Sundre AB T0M 1X0
 (403) 638-4040

Web site: www.mountainviewfinancial.com

2102673

BRENDA J GOETTEL
 PO BOX 2258
 SUNDRE AB T0M 1X0

| | |
|-------------------|--------------|
| Period Beginning | Oct 28, 2019 |
| Period Ending | Nov 27, 2019 |
| Account Number | 723111160591 |
| No. of Enclosures | 0 |
| Page | 1 of 3 |



Personal Optimizer ACCOUNT 723111160591

| Date | Description | Debits/ Interest | Credits/ Principal | Balance |
|-------|---|---------------------|-----------------------|----------|
| Oct28 | Balance Forward | | | 1,809.50 |
| Oct31 | Withdrawal | -100.00 | | 1,709.50 |
| Nov01 | Withdrawal Annual Safety Deposit Box Fee | -52.50 | | 1,657.00 |
| Nov01 | Withdrawal Transfer to 723111144736 | -1,060.70 | | 596.30 |
| Nov05 | Deposit | | 1,669.27 | 2,265.57 |
| Nov05 | Withdrawal | -100.00 | | 2,165.57 |
| Nov27 | Paper Statement Fee | -2.00 | | 2,163.57 |
| Nov27 | Monthly Account Fee | -1.60 | | 2,161.97 |
| | Total Debits | -1,316.80 | | |
| | Total Credits | | 1,669.27 | |

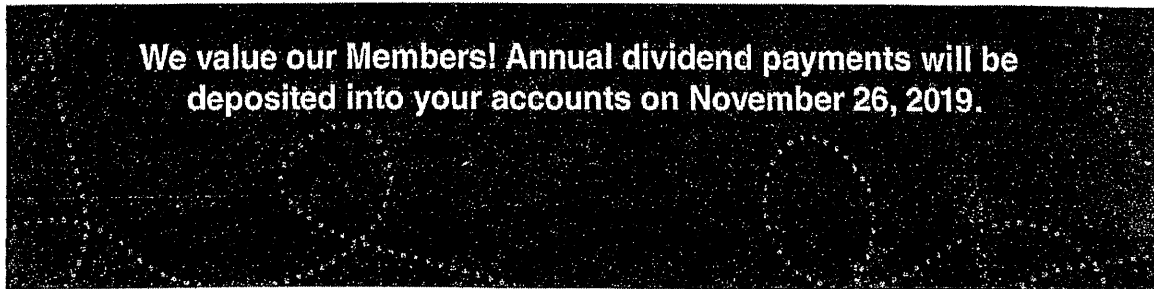
Unauthorized Overdraft Interest Paid YTD..... \$0.00

Deposit Account Interest Rate Summary

| Date | Rate | Date | Rate | Date | Rate |
|----------|-------|------|------|------|------|
| 08-29-16 | 0.000 | | | | |

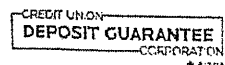
Unauthorized OD Interest Rate Summary

| Date | Rate | Date | Rate | Date | Rate |
|----------|--------|----------|--------|------|------|
| 10-28-19 | 24.000 | 11-27-19 | 24.000 | | |



For a Lost or Stolen Card Call 1.844.648.6466

If this statement does not agree with your records, please contact our office within 30 days of delivery





A division of Connecticut Credit Union*
MAKING MONEY MAKE A DIFFERENCE

Home Free ACCOUNT 723111082555

| Date | Description | Debits/ Interest | Credits/ Principal | Balance |
|-------|--------------------------|---------------------|-----------------------|-----------|
| Oct28 | Balance Forward | | | 1,106.09- |
| Oct31 | Deposit | | 100.00 | 1,006.09- |
| Nov27 | Limit OD Interest Charge | -4.70 | | 1,010.79- |
| | Total Debits | -4.70 | | |
| | Total Credits | | 100.00 | |

Authorized Overdraft Limit..... \$26,000.00
 Available Balance..... \$24,989.21
 Authorized Overdraft Interest Paid YTD..... \$342.72
 Unauthorized Overdraft Interest Paid YTD..... \$0.00

Deposit Account Interest Rate Summary

| Date | Rate | Date | Rate | Date | Rate |
|----------|-------|------|------|------|------|
| 09-22-15 | 0.000 | | | | |

Authorized OD Interest Rate Summary

| Date | Rate | Date | Rate | Date | Rate |
|----------|-------|------|------|------|------|
| 10-25-18 | 5.450 | | | | |

Unauthorized OD Interest Rate Summary

| Date | Rate | Date | Rate | Date | Rate |
|----------|--------|------|------|------|------|
| 05-18-16 | 24.000 | | | | |

Common Share Account ACCOUNT 723111081102

| Date | Description | Debits/ Interest | Credits/ Principal | Balance |
|-------|----------------------|---------------------|-----------------------|---------|
| Oct28 | Balance Forward | | | 5.24 |
| Nov26 | Eff. NOV 01 Dividend | | 0.24 | 5.48 |
| | Total Debits | 0.00 | | |
| | Total Credits | | 0.24 | |

ELITE Savings ACCOUNT 723111163652

| Date | Description | Debits/ Interest | Credits/ Principal | Balance |
|-------|-----------------|---------------------|-----------------------|-----------|
| Oct28 | Balance Forward | | | 65,955.45 |
| Oct31 | Withdrawal | -50,000.00 | | 15,955.45 |
| Oct31 | Credit Interest | | 54.65 | 16,010.10 |
| | Total Debits | -50,000.00 | | |
| | Total Credits | | 54.65 | |

Unauthorized Overdraft Interest Paid YTD..... \$0.00

From: "Brenda Goettel" <brendag@kwik-fab.ca>
To: "Mike" <mgkwik@gmail.com>
Cc: "Accounting" <accounting@kwik-fab.ca>, "Mark Haldane" <markhaldane@kwik-fab.ca>
Sent: Friday, July 3, 2020 8:29:16 AM
Subject: Re: Year End

It was supposed to be short term to cover payroll - one week - as some receivables were expected but did not materialize.

B

On Jul 3, 2020, at 8:24 AM, Mike <mgkwik@gmail.com> wrote:

What did Mark and I agree on when he borrowed the money?

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Brenda Goettel
Sent: Friday, July 3, 2020 8:21 AM
To: Mike
Cc: Accounting; Mark Haldane
Subject: Re: Year End

Just want to make sure that my loan is not recorded as a shareholders loan...

Brenda

On Jun 16, 2020, at 3:22 PM, Mike <mgkwik@gmail.com> wrote:

Thanks!

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Brenda Goettel
Sent: Tuesday, June 16, 2020 1:13 PM
To: Mike
Cc: Accounting; Mark Haldane
Subject: Re: Year End

Believe my loan was from October.

B

On Jun 16, 2020, at 12:17 PM, Mike <mgkwik@gmail.com> wrote:

Thanks, we will need the breakdown for the accountants.

Have a good day!

Mike

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Accounting
Sent: Tuesday, June 16, 2020 12:00 PM
To: Mike Ganser

Cc: Mark Haldane
Subject: RE: Year End

Since Dec. 2019., Mark Haldane has had a loan of \$135,000 to Kwik-Fab and as of Dec. 2019, Brenda has a loan outstanding of \$50,000.

From: Mike Ganser [<mailto:mgkwik@gmail.com>]
Sent: Sunday, June 14, 2020 8:03 AM
To: Accounting <accounting@kwik-fab.ca>; Mark Haldane <markhaldane@kwik-fab.ca>
Subject: Year End

Jean,

Mark mentioned the other day, that there are some loans from himself and Brenda, could you please send those to Mark and myself so we can have the accountant help us decide where they should go.

Could you check the BDC loan to see if we have life insurance through them ?

Thanks,

Mike

--

<image001.jpg>
Ph. (780) 753-0982
Fax (780) 753-4705

<image001.jpg>

THIS IS EXHIBIT "8"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

1823741 ALBERTA LTD O/A KWIK-FAB ENERGY SERVICES

3720

Brenda Goettel

07/27/2020

3720

July 27 20..... 5,000.00

Total

5,000.00

1823741 ALBERTA LTD O/A KWIK-FAB ENERGY SERVICES

3724

Brenda Goettel

08/04/2020

3724

Aug 4 20..... 5,000.00

Total

5,000.00

1823741 ALBERTA LTD O/A KWIK-FAB ENERGY SERVICES

Brenda Goettel

10/01/2020

3776

3776

Oct 1 20..... 25,000.00

Total

25,000.00

1823741 ALBERTA LTD O/A KWIK-FAB ENERGY SERVICES

Brenda Goettel

10/13/2020

3800

3800

Oct 13 20..... 10,000.00

Total

10,000.00

1823741 ALBERTA LTD O/A KWIK-FAB ENERGY SERVICES

Brenda Goettel

11/26/2020

3847

3847

Nov 26 20..... 5,000.00

Total

5,000.00

*last pay on \$50K
loan to KF*

THIS IS EXHIBIT "9"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2024/05/10
 Time of Search: 08:29 AM
 Search provided by: CARON & PARTNERS LLP
 Service Request Number: 42106982
 Customer Reference Number: 61882-000 DAH:lrc

Corporate Access Number: 2018728069

Business Number:

Legal Entity Name: 1872806 ALBERTA LTD.

Legal Entity Status: Active

Alberta Corporation Type: Numbered Alberta Corporation

Registration Date: 2015/01/20 YYYY/MM/DD

Registered Office:

Street: 5018 50 AVENUE
City: LLOYDMINSTER
Province: ALBERTA
Postal Code: T9V0W7

Records Address:

Street: 5018 50 AVENUE
City: LLOYDMINSTER
Province: ALBERTA
Postal Code: T9V0W7

Email Address: CORPORATE@REVERINGLAW.COM

Primary Agent for Service:

| Last Name | First Name | Middle Name | Firm Name | Street | City | Province | Postal Code | Email |
|-----------|------------|-------------|---------------------------|-------------------|--------------|----------|-------------|---------------------------|
| REVERING | DONNON | F. | REVERING LAW OFFICE | 5018 50 AVE | LLOYDMINSTER | ALBERTA | T9V0W7 | CORPORATE@REVERINGLAW.COM |

Directors:

Last Name: GANSER
First Name: MICHAEL
Middle Name: JAMES
Street/Box Number: BOX 603
City: PROVOST
Province: ALBERTA
Postal Code: T0B3S0

Last Name: HALDANE
First Name: MARK
Middle Name: EDMUND
Street/Box Number: BOX 2258

City: SUNDRE
Province: ALBERTA
Postal Code: T0M1X0

Voting Shareholders:

Last Name: GANSER
First Name: MICHAEL
Middle Name: JAMES
Street: BOX 603
City: PROVOST
Province: ALBERTA
Postal Code: T0B3S0
Percent Of Voting Shares: 50

Last Name: HALDANE
First Name: MARK
Middle Name: EDMUND
Street: BOX 2258
City: SUNDRE
Province: ALBERTA
Postal Code: T0M1X0
Percent Of Voting Shares: 50

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: 1000 CLASS "A" COMMON VOTING SHARES
Share Transfers Restrictions: SHARE TRANSFERS MUST BE APPROVED BY ALL SHAREHOLDERS
Min Number Of Directors: 1
Max Number Of Directors: 3
Business Restricted To: NO RESTRICTIONS
Business Restricted From: NO RESTRICTONS
Other Provisions: NONE

Other Information:

Last Annual Return Filed:

| File Year | Date Filed (YYYY/MM/DD) |
|-----------|-------------------------|
| 2024 | 2024/02/08 |

Filing History:

| List Date (YYYY/MM/DD) | Type of Filing |
|------------------------|---|
| 2015/01/20 | Incorporate Alberta Corporation |
| 2015/02/04 | Change Address |
| 2018/01/17 | Change Director / Shareholder |
| 2024/02/08 | Enter Annual Returns for Alberta and Extra-Provincial Corp. |

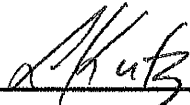
Attachments:

| Attachment Type | Microfilm Bar Code | Date Recorded (YYYY/MM/DD) |
|-------------------------|---------------------------|-----------------------------------|
| Letter - Spelling Error | 10000907119817691 | 2018/01/17 |

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



THIS IS EXHIBIT "10"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

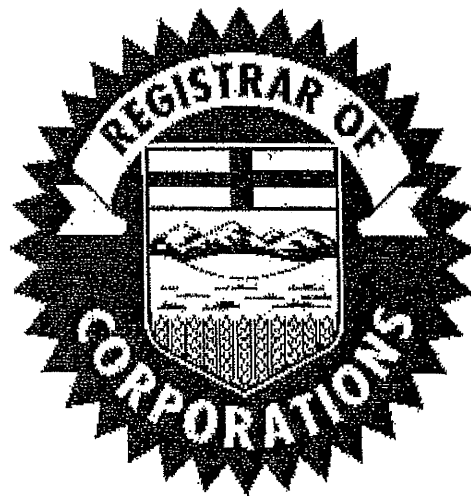
CORPORATE ACCESS NUMBER: 2018728069

**Government
of Alberta** ■

BUSINESS CORPORATIONS ACT

**CERTIFICATE
OF
INCORPORATION**

**1872806 ALBERTA LTD.
WAS INCORPORATED IN ALBERTA ON 2015/01/20.**



**Articles of Incorporation
For
1872806 ALBERTA LTD.**


Share Structure: 1000 CLASS "A" COMMON VOTING SHARES
**Share Transfers
Restrictions:** SHARE TRANSFERS MUST BE APPROVED BY ALL
SHAREHOLDERS
Number of Directors:
Min Number of Directors: 1
Max Number of Directors: 3
Business Restricted To: NO RESTRICTIONS
Business Restricted From: NO RESTRICTONS
Other Provisions: NONE

**Registration Authorized By: MARK HALDANE
DIRECTOR**

BUSINESS CORPORATIONS ACT
PROVINCE OF ALBERTA
(Section 6)

Form 1

ARTICLES OF INCORPORATION

1. NAME OF CORPORATION:
1872806 ALBERTA LTD.
2. THE CLASSES AND MAXIMUM NUMBER OF SHARES THAT THE CORPORATION IS AUTHORIZED TO ISSUE:
1000 Class "A" Common Shares.
3. RESTRICTIONS, IF ANY, ON SHARE TRANSFERS:
Share Transfers must be approved by all shareholders.
4. NUMBER (OR MINIMUM AND MAXIMUM NUMBER) OF DIRECTORS:
Minimum of one (1); maximum of three (3).
5. RESTRICTIONS, IF ANY, ON BUSINESS THE CORPORATION MAY CARRY ON:
None.
6. OTHER PROVISIONS, IF ANY:
None.
7. INCORPORATORS:
NAME AND ADDRESS :
**Michael S. Hall
5018 - 50 Avenue
Lloydminster, Alberta
T9V 0W7**
SIGNATURE:

Michael S. Hall
8. DATE: January 20, 2015

Solicitor's File No. 19128 MSH

THIS IS EXHIBIT "11"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

BY LAW NO. 1

A BYLAW RELATING GENERALLY TO THE TRANSACTION
OF THE BUSINESS AND AFFAIRS OF:

1872806 ALBERTA LTD.

CONTENTS

| | |
|--------------|--|
| ARTICLE I | Interpretation |
| ARTICLE II | Business of the Corporation |
| ARTICLE III | Directors |
| ARTICLE IV | Committees |
| ARTICLE V | Officers |
| ARTICLE VI | Protection of Directors, Officers and Others |
| ARTICLE VII | Shares |
| ARTICLE VIII | Dividends |
| ARTICLE IX | Meetings of Shareholders |
| ARTICLE X | Notices |
| ARTICLE XI | Conflict with Act and Agreement |

ARTICLE I

INTERPRETATION

1.01 DEFINITIONS. In the Bylaws of the Corporation, unless the context otherwise requires:

"Act" means the *Business Corporations Act*, R.S.S., c.B-10, as from time to time amended, or any statute that may be substituted therefor;

"Appoint" includes "elect" and vice versa;

"Articles" means the Articles attached to the Certificate of Incorporation of the Corporation, as from time to time amended or restated;

"Bylaws" means this Bylaw and all other Bylaws of the Corporation from time to time in force and effect;

"Corporation" means **1872806 ALBERTA LTD.**

"Non-business Day" means Saturday and any other day that is a holiday as defined in the *Interpretation Act*, R.S.A. 1981, as from time to time amended;

"Recorded Address" means, in the case of shareholder, his address as recorded in the securities register; in the case of joint shareholders, the address appearing in the securities register in respect of such joint holding or the first address so appearing if there is more than one; and in the case of director, officer, auditor or member of a committee of the directors, his latest address as recorded in the records of the Corporation;

"Signing Officer" means, in relation to any instrument, any person authorized to sign or certify the same on behalf of the Corporation by Section 2.03 or by a resolution passed pursuant thereto;

Save as aforesaid, words and expressions defined in the Act have the same meaning when used herein and words importing the singular number include the plural and vice versa; words importing gender include the masculine, feminine and neuter genders; and words importing persons include individuals, bodies corporate, partnerships, trusts and unincorporated organizations.

ARTICLE II

BUSINESS OF THE CORPORATION

2.01 CORPORATE SEAL. The corporate seal of the Corporation shall be in the form impressed on the margin in the copy of this Bylaw in the records of the Corporation or as determined from time to time by resolution of the Directors.

2.02 FINANCIAL YEAR. The financial year of the Corporation shall terminate on such date as may be determined from time to time by resolution of the Directors of the Corporation.

2.03 EXECUTION OF INSTRUMENTS. The Seal shall be affixed to all documents requiring execution under the corporate seal of the Corporation by the President and Secretary or by such party or parties as may be authorized, from time to time, by the Board.

2.04 BANKING ARRANGEMENTS. The banking business of the Corporation including, without limitation, the borrowing of money and the giving of security therefor, shall be transacted with such banks, trust companies or other bodies corporate or organizations as may from time to time be designated by or under the authority of the Directors. Such banking business or any part thereof shall be transacted under such agreements, instructions and delegations of powers as the directors may from time to time prescribe or authorize.

2.05 VOTING RIGHTS IN OTHER BODIES CORPORATE. The directors may from time to time direct the manner in which and designate the person or persons by whom the voting rights attaching to any securities held by the Corporation may or shall be exercised. The signing officers may execute and deliver instruments of proxy and arrange for the issuance of voting certificates or other evidence of the right to exercise such rights and, in the absence of a resolution of the directors, may direct the manner in which and designate the person or persons by whom such rights may or shall be exercised.

ARTICLE III

DIRECTORS

3.01 QUORUM. Subject always to any provisions to the contrary in the Articles of Incorporation, or the Articles of Continuance, or any amendments thereto, the quorum for the transaction of business at any meeting of the directors shall consist of a majority of the minimum number of directors specified in the Articles or such greater number as the directors may from time to time by resolution determine. Notwithstanding any vacancy among the directors, a quorum of directors may exercise all the powers of the directors.

3.02 ELECTION AND TERM. The election of directors shall take place at each annual meeting of shareholders and all the directors then in office shall retire but, if qualified, shall be eligible for re-election. The number of directors to be elected at any such meeting shall be the number of directors then in office unless the directors or the shareholders otherwise determine. The election shall be by ordinary resolution. A director need not be a shareholder of the Corporation.

3.03 REMOVAL OF DIRECTORS. Subject to the provisions of the Act, the shareholders may by ordinary resolution passed at a special meeting remove any director from office and the vacancy created by such removal may be filled at the same meeting failing which it may be filled by the directors as provided in Section 3.05.

3.04 VACATION OF OFFICE. A director ceases to hold office when:

- (a) he dies;
- (b) he is removed from office by the shareholders;
- (c) he ceases to be qualified for election as a director as provided in the Act;
- or
- (d) his written resignation is sent or delivered to the Corporation, or, if a time is specified in such resignation, at the time so specified, whichever is later.

3.05 VACANCIES. A quorum of the directors may fill a vacancy among the directors, except a vacancy resulting from an increase in the minimum number of directors or from a failure of the shareholders to elect the minimum number of directors. If there is not a quorum of directors, or if there has been a failure to elect the minimum number required by the articles, the directors then in office shall forthwith call a special meeting of shareholders to fill the vacancy. If the directors fail to call such meeting or if there are no directors then in office, any shareholder may call the meeting. The shareholders may also fill any vacancy among the directors at any meeting duly called for that purpose. A vacancy created by the removal of a director may be filled by the shareholders at the meeting at which the director is removed or, if not so filled, may be filled by a quorum of the directors.

3.06 ACTION BY THE DIRECTORS. The directors shall manage the business and affairs of the Corporation. The powers of the directors may be exercised by resolution passed at a meeting at which a quorum is present or by resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of directors, and such resolution shall be effective from and relate back to the date stated thereon.

3.07 MEETINGS BY TELEPHONE. If all the directors consent, a director may participate in a meeting of the directors or of a committee of the directors by means of such telephone or other communications facilities as permit all persons participating in the meeting to hear each other and a director participating in such a meeting by such means is deemed to be present at the meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the directors and of committees of the directors held while a director holds office.

3.08 PLACE OF MEETINGS. Meetings of the directors or of any committee of directors may be held at any place in or outside Canada.

3.09 CALLING OF MEETINGS. Meetings of the directors shall be held from time to time and at such place as the Chairman of the Board, the President or any two (2) directors may determine.

3.10 NOTICE OF MEETING AND WAIVER OF NOTICE. Notice of the time and place of each meeting of the directors shall be given in the manner provided in Section 10.01 to each director not less than forty-eight (48) hours before the time when the meeting is to be held. A notice of a meeting of directors shall specify such matters to be dealt with at the meeting as are required by the Act to be specified therein but need not specify the purpose of or the business to be transacted at the meeting. A director may in any manner and at any time waive notice of or otherwise consent to a meeting of the directors.

3.11 FIRST MEETING OF NEW DIRECTORS. Provided a quorum of directors is present, the newly elected directors may without notice hold their first meeting immediately following the meeting of shareholders at which such directors are elected.

3.12 NOTICE OF ADJOURNED MEETING. Notice of an adjourned meeting of the directors is not required if the time and place of the adjourned meeting is announced at the original meeting.

3.13 CHAIRMAN. The chairman of any meeting of the directors shall be the first mentioned of such of the following persons as have been appointed and who is a director and is present at the meeting: Chairman of the Board, Vice-Chairman of the Board or President. If no such person is present, or if such persons decline to act, the directors present shall choose one (1) of their number to be Chairman.

3.14 VOTES TO GOVERN. At all meetings of the directors every question shall be decided by a majority of the votes cast on the question. In the case of an equality of votes the chairman of the meeting shall be entitled to a second or casting vote.

3.15 CONFLICT OF INTEREST. A director who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation shall disclose the nature and extent of his interest at the time and in the manner provided by the Act. A director interested in a contract or proposed contract shall be entitled to vote on any resolution to approve the same.

3.16 REMUNERATION OF DIRECTORS AND OTHERS. The directors of the Corporation may fix, from time to time, the remuneration of the directors, officers and employees of the Corporation.

ARTICLE IV

COMMITTEES

4.01 EXECUTIVE COMMITTEE. The directors may appoint an executive committee consisting of three (3) directors, or such larger number of directors as the directors may from time to time determine, to hold office until their successors are appointed. The executive committee shall meet at such times as the members shall determine. Notice of any meeting may be given personally or by telephone or in any other manner provided in this Bylaw or in the Act. During the intervals between meetings of the directors the executive committee shall possess and may exercise (subject to any restrictions contained in the Act or imposed from time to time by the directors) all the powers of the directors to manage the business and affairs of the Corporation in such manner as the executive committee shall deem in the best interests of the Corporation. All proceedings of the executive committee shall be open to the examination of the directors and shall be reported to the directors if and when the directors so direct. The directors may from time to time remove any member from the executive committee and may also from time to time fill any vacancy which may occur in the membership of the executive committee.

4.02 OTHER COMMITTEES OF DIRECTORS. The directors may appoint one or more other committees of directors, however designated, and delegate to such committees any of the powers of the directors except those which, under the Act, a committee of directors has no authority to exercise.

4.03 TRANSACTION OF BUSINESS. The powers of a committee of directors may be exercised by resolution passed at a meeting at which a quorum is present or by resolution in writing signed by all the members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. Meetings of committees may be held at any place in or outside Canada.

4.04 PROCEDURE. Unless otherwise determined herein or by the directors, each committee shall have the power to fix its quorum at not less than a majority of its members, to elect its Chairman and to regulate its procedure.

4.05 AUDIT COMMITTEE. If the Act requires the appointment of an audit committee, the Directors shall appoint an audit committee consisting of three (3) directors, or such larger number of directors as the directors may from time to time determine, to hold office until their successors are appointed. A majority of the members of the audit committee shall be directors who are not officers or employees of the Corporation or of its affiliates. The audit

committee shall review the financial statements of the Corporation before such financial statements are approved, pursuant to the provisions of the Act, by the directors.

The audit committee shall send notice of every meeting of the committee to the auditors of the Corporation and the auditors shall be entitled to attend and be heard at every meeting and, if requested by any member of the audit committee, shall attend every meeting of the audit committee held during the term of office of the auditors.

Notice of any meeting of the audit committee may be given personally or by telephone or in any other manner provided in this Bylaw or in the Act. The auditors of the Corporation or any member of the audit committee may call a meeting of the audit committee. The audit committee shall report to the directors at least once during each financial year and also whenever requested by the directors.

The audit committee shall have the right for the purposes of the proper performance of its functions to meet at any reasonable time with the Corporation's auditors, chief accounting officer, internal auditor or legal officer. When it or the directors deem necessary, the audit committee shall report to the directors upon:

- (a) the quality, staffing and activities of the Corporation's accounting, internal audit and financial control departments; and
- (b) the Corporation's accounting and financial reporting methods.

At the completion of the annual audit examination, the audit committee shall, in addition to the requirements of the Act, if requested by the directors, review and report to the directors upon:

- (i) the financial statements and the report of the auditors proposed to be included in the annual report to shareholders;
- (ii) the accounting principles and policies adopted in such financial statements and the auditors' report thereon; and
- (iii) actions taken with respect to recommendations and comments contained in prior years' auditors' management letters.

4.06 Any director who ceases for any reason to be a director of the Corporation shall, upon ceasing to be a director, thereupon also cease to be a member of each and every committee of the directors of the Corporation.

ARTICLE V

OFFICERS

5.01 **APPOINTMENT.** The directors may from time to time appoint a Chairman of the Board, Vice-Chairman of the Board, President, one (1) or more Vice- Presidents (to which title may be added words indicating seniority or function), a Secretary, a Treasurer and such other officers as the directors may determine, including one (1) or more assistants to any of the officers so appointed. The directors may specify the duties of and, in accordance with this Bylaw and subject to the provisions of the Act, delegate to such officers powers to manage the business and affairs of the Corporation. Subject to Sections 5.02, 5.03 and 5.04, an officer may, but need not be, a director and one person may hold more than one (1) office.

5.02 **CHAIRMAN OF THE BOARD.** The Chairman of the Board shall be a director, shall be the chief executive officer of the Corporation and shall have such other duties and powers as the directors may specify and delegate. During the absence or disability of the

Chairman of the Board, his duties shall be performed and his powers exercised by the Vice-Chairman of the Board or by the President or by any other director designated by the directors.

5.03 VICE-CHAIRMAN OF THE BOARD. The Vice-Chairman of the Board shall be a director and shall have such duties and powers as the directors may specify and delegate.

5.04 PRESIDENT. The President shall be a director, shall be the chief operating officer of the Corporation (and the chief executive officer if there is neither a Chairman of the Board or a Vice-Chairman of the Board), shall (subject to the authority of the directors) have general supervision of the business of the Corporation (including the authority to employ or discharge agents and employees of the Corporation) and shall have such other duties and powers as the directors may specify and delegate. The President shall at all reasonable times give to the directors, or any of them, all information they may require regarding the affairs of the Corporation.

5.05 VICE-PRESIDENTS. Each Vice-President shall have such duties and powers as the directors may specify and delegate.

5.06 SECRETARY. The Secretary, as and when requested to do so, shall attend and be the secretary of all meetings of the directors, shareholders and committees of the directors and shall enter or cause to be entered in records kept for that purpose minutes of all proceedings thereat, shall give or cause to be given, as and when instructed, all notices to shareholders, directors, officers, auditors and members of committees of directors, and shall have such other powers and duties as the directors may specify and delegate. The Secretary shall at all reasonable times exhibit his records to any director.

5.07 TREASURER. The Treasurer shall keep proper accounting records in compliance with the Act and shall be responsible for the deposit of money, the safekeeping of securities and the disbursement of funds of the Corporation, shall render to the directors whenever required an account of all his transactions as Treasurer and of the financial position of the Corporation, shall be the custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Corporation and of all books, papers, records, documents and instruments belonging to the Corporation, except when some other officer or agent has been appointed for that purpose, and shall have such other duties and powers as the directors may specify and delegate. The Treasurer shall at all reasonable times exhibit his books and accounts to any director.

5.08 POWERS AND DUTIES OF OTHER OFFICERS. The powers and duties of all other officers shall be such as the terms of their engagement call for or as the directors may specify and delegate. Any of the duties and powers of an officer to whom an assistant has been appointed may be exercised and performed by such assistant unless the directors otherwise direct.

5.09 VARIATION OF POWERS AND DUTIES. The directors may from time to time vary, add to or limit the duties and powers of any officer.

5.10 TERM OF OFFICE. The directors may at any time, in their discretion, remove any officer of the Corporation without prejudice to such officer's rights under any employment contract. Otherwise each officer appointed by the directors shall hold office until his successor is appointed.

5.11 CONFLICT OF INTEREST. An officer of the Corporation who is a party to, or is a director or officer of or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation shall disclose in writing to the

Corporation or request to have entered in the minutes of the directors the nature and extent of his interest at the time and in the manner provided by the Act.

5.12 AGENTS AND ATTORNEYS. The directors shall have power from time to time to appoint agents or attorneys for the Corporation in or outside Canada with such duties and powers (including the power to sub-delegate) as may be thought fit.

ARTICLE VI

PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

6.01 LIMITATION OF LIABILITY. No director or officer shall be liable for the acts, receipts, neglects or defaults of any other director, officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the monies of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the monies, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error or judgment or oversight on his part or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same are occasioned by his own willful neglect or default; provided that nothing herein shall relieve any director or officer from the duty to act in accordance with the Act and the regulations thereunder or from liability for any breach thereof.

6.02 INDEMNITY. Subject to the limitations contained in the Act, the Corporation shall indemnify a director or officer, a former director or officer, or a person who acts or acted at the Corporation's request as a director or officer of the Corporation or a body corporate of which the Corporation is or was a shareholder or creditor (or a person who undertakes or has undertaken any liability on behalf of the Corporation or any such body corporate) and his heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a director or officer of the Corporation or such body corporate (or undertaking or having undertaken any liability on behalf of the Corporation or any such body corporate), if:

- (a) he acted honestly and in good faith with a view to the best interests of the Corporation; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful.

ARTICLE VII

SHARES

7.01 MAINTENANCE OF REGISTER. The directors may from time to time appoint an agent to maintain the central securities register and branch securities registers, if any. The directors may at any time terminate any such appointment.

7.02 SHARE CERTIFICATES. Every holder of one (1) or more shares of the Corporation shall be entitled, at his option, to a share certificate, or to a non-transferable written acknowledgment of his right to obtain a share certificate, stating the number and class or series of shares held by him as shown on the securities register or registers. Share certificates and acknowledgments of a shareholder's right to a share certificate, respectively, shall be in such form as the directors shall from time to time approve and shall comply with the provisions and requirements of the Act. Share certificates need not be under the corporate seal. Unless the directors otherwise determine, certificates representing shares in respect of which a transfer agent and/or registrar has been appointed shall not be valid unless countersigned by or on behalf of such transfer agent and/or registrar. The signature of one of the signing officers or, in the case of share certificates which are not valid unless countersigned by or on behalf of a transfer agent and/or registrar, the signatures of two (2) signing officers, may be printed or mechanically reproduced in facsimile upon share certificates and every such facsimile signature shall for all purposes be deemed to be the signature of the officer whose signature it reproduces and shall be binding upon the Corporation. A share certificate executed as aforesaid shall be valid notwithstanding that one (1) or both of the officers whose facsimile signature appears thereon no longer holds office at the date of issue of the certificate.

7.03 REPLACEMENT OF SHARE CERTIFICATES. The directors or any officer or agent designated by the directors may in their or his discretion direct the issue of a new share certificate in lieu of and upon cancellation of a share certificate that has been mutilated or in substitution for a share certificate claimed to have been lost, destroyed or wrongfully taken, on such terms as to indemnity, reimbursement of expenses and evidence of loss and of title as the Treasurer (or, in the absence of or failure to act by the Treasurer, the directors) may from time to time prescribe, whether generally or in any particular case.

7.04 JOINT SHAREHOLDERS. The Corporation is not required to issue more than one (1) share certificate in respect of shares held jointly by two (2) or more persons and delivery of such certificate to one (1) of such persons shall be sufficient delivery to all of them.

7.05 DECEASED SHAREHOLDERS. In the event of the death of a holder, or of one (1) or more of the joint holders, of any share, the Corporation shall not be required to make any entry in the securities register in respect thereof or to make payment of any dividends thereon except upon production of all such documents as may be required by the Act or otherwise by law and/or upon compliance with the reasonable requirements of the Corporation and its transfer agents.

ARTICLE VIII

DIVIDENDS

8.01 DIVIDEND CHEQUES. A dividend payable in cash shall be paid by cheque drawn on the Corporation's bankers or one (1) of them to the order of each registered holder of shares of the class or series of which it has been declared and mailed by prepaid ordinary mail to such registered holder at his recorded address, unless such holder otherwise

directs. In the case of joint holders the cheque shall, unless such joint holders otherwise direct, be made payable to the order of all of such joint holders and mailed to them at their recorded address. The mailing of such cheque as aforesaid, unless the same is not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold.

8.02 **NON-RECEIPT OF CHEQUES.** In the event of non-receipt of any dividend cheque by the person to whom it is sent as aforesaid, the Corporation shall issue to such person a replacement cheque for a like amount on such terms as to indemnity, reimbursement of expenses and evidence of non-receipt and of title as the Treasurer (or, in the absence of or failure to act by the Treasurer, the directors) may from time to time prescribe, whether generally or in any particular case.

8.03 **UNCLAIMED DIVIDENDS.** Any dividend unclaimed after a period of six (6) years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation.

ARTICLE IX

MEETINGS OF SHAREHOLDERS

9.01 **ANNUAL MEETINGS.** The annual meeting of shareholders shall be held at such time in each year as the directors may from time to time determine for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors and appointing auditors and for the transaction of such other business as may properly be brought before the meeting.

9.02 **SPECIAL MEETINGS.** The directors may call a special meeting of shareholders at any time.

9.03 **PLACE OF MEETINGS.** Meetings of shareholders shall be held at the registered office of the Corporation or elsewhere in the municipality in which the registered office is situate or, if the directors shall so determine, at some other place in Canada.

9.04 **NOTICE OF MEETINGS.** Notice of the time and place of each meeting of shareholders shall be given, in the manner provided in Section 10.01 and not less than twenty-one (21) or more than fifty (50) days before the date on which the meeting is to be held, to each director, to the auditors and to each shareholder entitled to receive notice of the meeting. Notice of a meeting of shareholders called for any purpose other than consideration of the financial statements and auditors' report, election of directors and re-appointment of the incumbent auditors shall state the nature of such business in sufficient detail to permit the shareholder to form a reasoned judgment thereon and shall state the text of any special resolution to be submitted to the meeting.

9.05 **CHAIRMAN, SECRETARY AND SCRUTINEERS.** The Chairman of any meeting of shareholders shall be the first mentioned of such of the following persons as has been appointed and who is present at the meeting: Chairman of the Board, Vice-Chairman of the Board, President or a Vice-President who is a shareholder. If no such person is present within fifteen (15) minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one (1) of their number to be Chairman. If the Secretary of the Corporation is absent, the chairman shall appoint some person, who need not be a shareholder, to act as Secretary of the meeting. One (1) or more scrutineers, who need not be shareholders, may be

appointed by ordinary resolution of the shareholders or by the Chairman with the consent of the meeting.

9.06 PERSONS ENTITLED TO BE PRESENT. The only persons entitled to be present at a meeting of shareholders shall be those entitled to vote thereat, the directors and auditors of the Corporation and others who, although not entitled to vote, are entitled or required under any provision of the Act or the Articles or Bylaws to be present at the meeting. Any other person may be admitted only on the invitation of the Chairman or with the consent of the meeting.

9.07 QUORUM. A quorum for the transaction of business at any meeting of shareholders shall be the holders of at least twenty (20%) per cent of the shares of each class entitled to vote at the meeting present in person or by proxy. If a quorum is present at the opening of a meeting, the shareholders present or represented by proxy may proceed with the business of the meeting notwithstanding that a quorum is not present throughout the meeting. If a quorum is not present at the opening of a meeting of shareholders, the shareholders present or represented by proxy may adjourn the meeting to a fixed time and place but may not transact any other business.

9.08 PROXIES. Every shareholder entitled to vote at a meeting of shareholders may by means of a proxy appoint a proxyholder, or one or more alternative proxyholders, who need not be a shareholder or shareholders, to attend and act at the meeting in the manner and to the extent authorized and with the authority conferred by the proxy. A proxy shall be in writing executed by the shareholder or his attorney authorized in writing and shall conform with the requirements of the Act. A proxy is valid only at the meeting in respect of which it is given or at any adjournment thereof and may be revoked in accordance with the provisions of the Act.

9.09 VOTING AND VOTES TO GOVERN. At any meeting of shareholders every question shall, unless otherwise required by the Articles or Bylaws or Bylaw, be determined by the majority of the votes cast on the question. In the case of an equality of votes either upon a show of hands or upon a ballot, the Chairman of the meeting shall be entitled to a second or casting vote.

9.10 SHOW OF HANDS. Subject to the provisions of the Act, any question at a meeting of shareholders shall be decided by a show of hands unless a ballot thereon is required or demanded as provided by section 9.11. Upon a show of hands every person who is present and entitled to vote shall have one (1) vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the Chairman of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question. The result of the vote so taken shall be the decision of the shareholders upon the said question, unless a ballot is demanded or required immediately after the show of hands.

9.11 BALLOTS. On any question proposed for consideration at a meeting of shareholders, and whether or not a show of hands has been taken thereon, any shareholder or proxyholder entitled to vote at the meeting may require or demand a ballot. A ballot so required or demanded shall be taken in such manner as the Chairman shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken each person present shall be entitled, in respect of the shares which he is entitled to vote at the meeting upon the question, to that number of votes provided by the Act or the Articles, and the result of the ballot so taken as reported on by the scrutineers (if they have been appointed) shall be the decision of the shareholders upon the said question.

9.12 ADJOURNMENT. If a meeting of shareholders is adjourned for less than thirty (30) days, it shall not be necessary to give notice of the adjourned meeting other than by announcement at the earlier meeting that is adjourned.

ARTICLE X

NOTICES

10.01 MANNER OF GIVING NOTICE. Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) pursuant to the Act, the regulations thereunder, the Articles, the Bylaws or otherwise to a shareholder, director, officer, auditor or member of a committee of the directors shall be sufficiently given if delivered personally to the person to whom it is to be given or if delivered to his recorded address or if mailed to him at his recorded address by prepaid mail or if sent to him at his recorded address by means of telex, telecopier, telegram or any means of transmitted or recorded communication. A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been received as provided in the Act; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when actually transmitted by the person giving such notice, or if dispatched or delivered to the communication company or its agency or its representative when such communication company or agency actually transmits such notice. The Secretary shall change or cause to be changed the recorded address of any shareholder, director, officer, auditor or member of a committee of the directors in accordance with any information believed by him to be reliable.

10.01 NOTICE OF JOINT SHAREHOLDERS. If two (2) or more persons are registered as joint holders of any share, any notice shall be addressed to all such joint holders but notice to one (1) of such persons shall be sufficient notice to all of them.

10.03 COMPUTATION OF TIME. In computing the date when notice must be given under any provision requiring a specified number of days' notice of any meeting or other event, the date of giving the notice shall be excluded and the date of the meeting or other event shall be included.

10.04 OMISSIONS AND ERRORS. The accidental omission to give any notice to any shareholder, director, officer, auditor or member of a committee of the directors or the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

10.05 PERSONS ENTITLED BY DEATH OR OPERATION OF LAW. Every person who, by operation of law, transfer, death of a shareholder or any other reason whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share which shall have been duly given to the shareholder from whom he derives his title to such share prior to his name and address being entered on the securities register (whether such notice was given before or after the happening of the event upon which he became so entitled) and prior to his furnishing to the Corporation the proof of authority or evidence of his entitlement prescribed by the Act.

10.06 WAIVER OF NOTICE. Any shareholder (or his duly appointed proxyholder), director, officer, auditor or member of a committee of the directors may at any time waive any notice, or waive or abridge the time for any notice, required to be given to him under any provision of the Act, the regulations thereunder, the Articles, the Bylaws or otherwise and

such waiver or abridgment shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgment shall be in writing except a waiver of notice of a meeting of shareholders or of the directors which may be given in any manner.

ARTICLE XI

CONFLICT WITH ACT AND AGREEMENT

11.01 **ACT PREVAILS.** In the event any provision of this Bylaw or any other Bylaw of the Corporation is inconsistent with the provisions of the Act, the provisions of the Act shall prevail and shall be deemed to be incorporated herein by way of amendment retroactive to the date of the enactment of such Bylaw.

11.02 **AMENDMENT OF ACT.** In the event any provision of this Bylaw or any other bylaw of the Corporation becomes inconsistent with any provision of the Act due to any amendment of the Act, such provision as amended shall be deemed to be incorporated herein by way of amendment retroactive to the effective date of such provision in the Act.

11.03 **UNANIMOUS SHAREHOLDER AGREEMENTS.** In the event any provision of this Bylaw or any other bylaw of the Corporation becomes inconsistent with any provision in a Unanimous Shareholder Agreement due to the execution of such an Agreement, the provisions of the Unanimous Shareholder Agreement shall prevail and shall be deemed to be incorporated herein by way of an amendment retroactive to the effective date of the Unanimous Shareholder Agreement.

ADOPTED AND APPROVED by the Directors of the Corporation as of the 20th day of January, 2015 and CONFIRMED by the Shareholders of the Corporation as of the 20th day of January, 2015, as evidenced by the signature of the President and Secretary endorsed below.



Mark Edmund Haldane - President

Michael James Ganser - Secretary

BYLAW NO. 2

A BYLAW RELATING GENERALLY TO THE
BORROWING OF MONEY OF:
1872806 ALBERTA LTD.

The Directors of the Corporation may from time to time:

- (a) Borrow money upon the credit of the Corporation;
- (b) Issue, reissue, sell or pledge debt obligations of the Corporation; and
- (c) Mortgage, hypothecate, pledge or otherwise create a security interest in all or any of the property of the Corporation, owned or subsequently acquired to secure any debt obligation of the Corporation.

Nothing herein limits or restricts the borrowing of money by the Corporation on Bills of Exchange or Promissory Notes made, drawn, accepted or endorsed by or on behalf of the Corporation.

The Board may from time to time delegate to a committee of the Board, a director or an officer of the Corporation or any other person as may be designated by the Board all or any of the powers conferred on the Board by Section 2.04 or by the Act to such extent and in such manner as the Board may determine at the time of such delegation.

ADOPTED AND APPROVED by the Directors of the Corporation as of the 20th day of January, 2015 and CONFIRMED by the Shareholders of the Corporation as of the 20th day of January, 2015, as evidenced by the signature of the President and Secretary endorsed below.



Mark Edmund Haldane - President



Michael James Ganser - Secretary

THIS IS EXHIBIT "12"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

THIS AGREEMENT dated: June 8 2015.

BETWEEN:

MARK EDMUND HALDANE
of Box 2258, Sundre, Alberta, T0M 1X0

-and -

MICHAEL JAMES GANSER
of Box 603, Provost, Alberta, T0B 3S0

- and -

1872806 ALBERTA LTD.
c/o 5018 50th Avenue, Lloydminster, Alberta, T9V 0W7
(the "Corporation")

UNANIMOUS SHAREHOLDERS' AGREEMENT

PREAMBLE

WHEREAS the Corporation was incorporated in the Province of Alberta on January 20, 2015 and is authorized to issue 1000 Class "A" Common Shares.

AND WHEREAS the issued capital of the Corporation is held and beneficially owned as follows:

| <u>SHAREHOLDER</u> | <u>SHARES</u> |
|----------------------|---------------------|
| Mark Edmund Haldane | 50 Class "A" shares |
| Michael James Ganser | 50 Class "A" shares |

AND WHEREAS the parties have agreed to certain management matters and for the disposition of their shares during their lifetimes and in the event of death or disability.

AND WHEREAS the parties to this Agreement intend this Agreement to be a Unanimous Shareholders Agreement under *The Business Corporations Act*.

CONSIDERATION

1. In consideration of the mutual covenants contained in this agreement, the parties agree to the terms as set out in this agreement.

DEFINITIONS

2. In this agreement the following words shall have the following meanings:
 - a) "Accountant" means the firm of Accountants who are retained or employed by the Corporation to prepare its financial statements at the time referred to under this agreement, or on its failure or refusal to perform the duties assigned to it by this agreement at the time in question, a substitute agreed upon by a majority of the voting shareholders of the Corporation;
 - b) "Death" means death as certified by a licensed physician or as declared by a court of competent jurisdiction;
 - c) "Fair Market Value" when used in determining the price of any shares pursuant to this agreement shall mean the value obtained by the following:
 - i) any interested parties may, within 30 days of the date of death, event of disposition, accepted offer or such other event as may be set out in this agreement, give notice in writing to:
 - a) the Accountant; and
 - b) the other interested party;that such party requires an evaluation of the shares by the Accountant.
 - ii) the Accountant shall act as an evaluator in determining the fair market value of the shares. The starting point for the Accountant shall be an appraisal of the Corporations assets by a qualified appraiser. The Accountant is empowered to engage such experts as shall be necessary in his or her opinion to assist in the valuation. In making such valuation:
 - a) the Accountant shall take into account all corporate tax and other liabilities based on an orderly liquidation of the assets of the Corporation but the Accountant shall not take into account any tax costs or other liabilities to the shareholders;
 - b) goodwill shall not be considered an asset;
 - c) the Accountant shall not take into account any of the insurance proceeds payable on the disability of the vendor;
 - d) the assets of the Corporation shall be considered at their fair market value.

- d) "Personal Representative" shall mean the executor or administrator of the Will or administrator of the estate of a deceased shareholder or the person who is entitled to apply for Letters Probate or Letters of Administration, as the case may be;
- e) "Shareholder" means any person who is the holder of shares in the capital stock of the Corporation;
- f) "Shares" means only the issued shares in the capital stock of the Corporation.

| |
|----------------------------------|
| MANAGEMENT OF CORPORATION |
|----------------------------------|

- 3. The parties shall vote such that the Board of Directors of the Corporation shall consist of two directors.
- 4. The parties agree to vote and to act in all other respects so as to ensure that each one of them, (or the nominee of any one or more of them) shall be elected, appointed and maintained as a director of the Corporation during the currency of this agreement and so long as they are a shareholder of the Corporation and not disqualified from holding the office of director under *The Business Corporations Act*.
- 5. The parties agree to vote and to act in all other respects so as to ensure that one of them shall be elected to act as president, one of them shall be elected secretary of the Corporation for a term of one year (with no limitation on eligibility for consecutive terms or for holding more than one office concurrently). Both the president and the secretary shall be equally responsible for, and empowered to make, day to day decisions in the ordinary course of business of the Corporation including expenditures up to \$5,000.00 but not including any extraordinary decisions related to the business of the Corporation such as hiring and firing of employees, capital expenditures exceeding \$5,000.00 and contracts where the Corporation's total payment obligations may exceed \$5,000.00.
- 6. The president and secretary of the Corporation shall have signing authority at the financial institution selected by the Corporation, and no other person shall have signing authority without the consent of a majority of the directors.
- 7. The parties agree that no obligation of the Corporation will be made and no action will be taken by or with respect to the Corporation except with the written consent of each of the parties with respect to any of the following:

- a) any change in the number of members of the Board of Directors of the Corporation from that provided in this agreement and any action which would derogate from the right of shareholders of the Corporation to nominate members of the Board of Directors;
 - b) any change in the provisions in the bylaws of the Corporation with respect to notice of meetings of directors or of shareholders and the quorum at such meetings;
 - c) any change in the Articles of Incorporation or any other change in the constitution of the Corporation;
 - d) enactment or amendment of any bylaw of the Corporation;
 - e) any matter relating to the declaration and payment of dividends;
 - f) appointment of accountants and solicitors;
 - g) the opening of a bank account or deposit account in a financial institution other than financial institutions already approved;
 - h) any issue of further shares in the capital stock of the Corporation;
 - i) the dissolution or winding up of the Corporation;
 - j) the corporation conducting or investing in any business other than a holding company used for purchasing property;
 - k) the corporation diverting business or assets to any other entity;
 - l) the corporation encumbering corporate assets;
 - m) the corporation entering any non arm's length transactions other than transactions with a party to this agreement in the usual and ordinary course of business, which transactions must be disclosed to the remaining parties in either a specific or general way. A general disclosure is satisfactory if the transaction is part of a series of transactions and the general disclosure sets out the nature of the transactions;
 - n) the corporation borrowing funds in excess of \$5,000.00. This provision shall not apply to funds drawn on the corporation's line of credit in the usual course of business to a maximum as specified by the Board of Directors;
 - o) the Corporation requiring the shareholders to inject capital into the Corporation; and
 - p) changes to the remuneration paid to employees, service or management corporations, and directors.
8. Any resolution in writing signed by the members of the Board of Directors of the Corporation shall be deemed to be the consent of the party whose nominee signs such resolution. Any matter recorded in the minutes of a meeting of the Board of Directors of the Corporation or the shareholders of the Corporation as having been approved or agreed upon, by resolution or otherwise, shall be deemed for the purposes of the

foregoing to have been consented to by each of the parties if the consent of such party to it shall have been given in writing by endorsement to such minutes or otherwise.

DEATH OF A SHAREHOLDER

9. In the event of the death of one of the shareholders, the Deceased Shareholder's shares shall, at the option of either the Surviving Shareholder or the Deceased Shareholder's Personal Representative, be purchased by the Surviving Shareholder at fair market value. The option may be exercised by either party within 60 days of the date of death and the effective date of the sale shall be the date of death. Any exercise of the option shall be in writing and shall be delivered to the other party personally or by registered mail. Nothing herein shall prevent the Deceased Shareholder's spouse from obtaining title to the Deceased Shareholder's shares and exercising the rights provided herein.

TERMS AND CONDITIONS OF OPTION

10. If an option is exercised on death as provided herein the Corporation agrees to pay all of the costs of and incidental to the valuation of the shares.
11. The payment for shares will be due and payable 60 days from the date of completion of the evaluation.
12. Upon payment of the purchase money as provided above, the vendor shall deliver to the purchaser such completed documents of assignment, transfer, surrender or otherwise as may be required to transfer such shares. If the purchaser fails to pay for the shares as provided above, then the right to purchase the same by the purchaser shall immediately expire.
13. Upon transfer by the vendor to the purchaser, the purchaser shall do all acts necessary to fully release the vendor from all guarantees and indemnities given by the deceased or disabled shareholder for the debts and obligations of the Corporation. In the event that the release of any guarantee or indemnity cannot be obtained, the purchaser agrees to indemnify and save harmless the vendor from all claims, demands, costs and expenses (including legal fees on a solicitor and own client basis) arising from any such outstanding guarantee or indemnity.
14. In the event that there are any outstanding loans by the vendor to or from the Corporation or any other outstanding indebtedness between the vendor and the Corporation:
- a) in the case of indebtedness by the vendor, the amount of such debt shall be deducted from the purchase price of the shares and the purchaser shall pay to

the Corporation and be credited on the purchase price, the amount of such indebtedness;

- b) in the case of indebtedness by the Corporation to the vendor the indebtedness shall be due and payable by the Corporation within 90 days of the date that a demand for payment is made by the vendor.

RIGHT OF FIRST REFUSAL

15. If a shareholder (the "Offeror") decides to sell, transfer or assign any of his shares (the "Saleable shares") to any person (the "Proposed Purchaser"), then the Offeror shall firstly make a written offer (the "Offer"), to the remaining shareholder (the "Offeree"), to sell to the Offeree all of the Offeror's shares on the following basis:

- a) subject to this Agreement, the Offer shall specify the number and the class of the Saleable shares, the purchase price payable for each Saleable share, the terms of payment of such purchase price and the identity of the Proposed Purchaser;
- b) the Offer shall be made upon the same terms and conditions as the proposed sale to the Proposed Purchaser provided that the Offer shall set out a cash purchase price payable for each Saleable share; and,
- c) The Offeree shall accept or refuse the Offer with respect to the Saleable shares offered to him within 21 days after receipt of the Offer and, in the event that no acceptance is received by the Offeror from the Offeree within a 21 day period, the Offer shall be deemed to have been refused by such Offeree.

EVENTS OF DISPOSITION

16. An Event of Disposition by a shareholder shall be deemed to have occurred upon the occurrence of any of the following events:

- a) an Order made by a Court of competent jurisdiction purporting to transfer, charge, or restrict the shareholder's ability to transfer or otherwise deal with all or a part of a shareholder's shares, whether specifically stated as applying to the shares or stated in general terms, pursuant to *The Matrimonial Property Act* of Alberta, *The Family Property Act* of Saskatchewan, or similar legislation;
- b) the shareholder, in the shareholder's capacity as an employee of the Corporation, committing such act or actions as would justify the immediate dismissal of the employee for cause; or

- c) the shareholder's shares being seized or attached in any way for the payment of any judgment or order; or
 - d) the shareholder being petitioned into bankruptcy or making an assignment for the benefit of his creditors.
17. Upon the occurrence of an Event of Disposition, the shareholder to whom such Event of Disposition pertains (the "Disposing Shareholder"), shall be deemed to have delivered to the Corporation and to the other shareholders, a written offer (the "Disposing Shareholder's Offer") to sell to the Corporation and in the event the Disposing Shareholder's Offer is not accepted by the Corporation then to the Other shareholders, all of the shares (the "Disposing Shareholder's shares") held by the Disposing Shareholder upon the terms and subject to the conditions set forth in this Agreement.
18. The terms and conditions governing the Disposing Shareholder's Offer are as follows:
- a) the Disposing Shareholder's Offer shall be open for acceptance by the Corporation for a period of 120 days from the date upon which the corporation learns the facts upon which the Event of Disposition is based and if the Disposing Shareholder's Offer is not accepted by the Corporation within such 120 day period, then the Disposing Shareholder's Offer shall be deemed to have been refused by the Corporation and the other shareholders shall have the option for a period of 60 days from the Corporation's refusal or deemed refusal of the Disposing Shareholder's Offer, to purchase the Disposing Shareholder's shares. If the Disposing Shareholder's Offer is not accepted by the other shareholder within such 60 day period, then the Disposing Shareholder's Offer shall be deemed to have been refused by the other shareholder. The party purchasing the Disposing Shareholder's shares shall be called the "Offeree" in this section;
 - b) the amount of the purchase price payable by the Offeree to the Disposing Shareholder for the Disposing Shareholder's shares shall be agreed upon by the Disposing Shareholder, or the person managing the affairs of the Disposing Shareholder, and the Offeree provided that if an agreement concerning such purchase price cannot be reached within 60 days following the date upon which the Disposing Shareholder receives from the Corporation or the other shareholder written notice of acceptance of the Disposing Shareholder's Offer (the "Acceptance Date"), then such purchase price shall be 75% of fair market value, and the Disposing Shareholder shall pay all of the fees for the evaluation (which the Offeree may pay and deduct from the purchase price).

- c) The closing of the purchase of the Disposing Shareholder's shares shall take place at the Corporation's registered office on the later of the 30th day following the Acceptance Date or 30 days following the determination of the purchase price.

- d) At such closing the Offeree shall either pay the purchase price in cash to the Disposing Shareholder by certified cheque or he shall pay a deposit of \$2,000.00 to the Disposing Shareholder and deliver to the Disposing Shareholder a Promissory Note for the balance of the purchase price. The Promissory Note shall provide that the balance of the purchase price shall be payable with interest equal to the Corporation's Bank's 3-year Lending Rate in effect as at the Acceptance Date less 2.5%. The principal amount shall be repaid in 10 equal annual instalments, the first of such instalments to be paid 30 days after the closing date and on the same date in each year thereafter until paid in full. Interest shall be payable on the same dates as the principal instalments are due. Interest shall accrue from the Acceptance Date. The Offeree shall have the privilege of prepayment without notice or bonus at any time or times. In the event of default in any instalment, the balance remaining unpaid shall become due and payable at the option of the payee.

- e) At such closing, the Disposing Shareholder shall deliver to the Offeree his share certificates representing the Disposing Shareholder's shares duly endorsed in favour of the Offeree upon the Offeree paying the purchase price in cash or paying \$2,000.00 towards the purchase price in cash and delivering the Promissory Note to the Disposing Shareholder.

- f) In the event that there are any outstanding loans by the Disposing Shareholder to or from the Corporation or any other outstanding indebtedness between the Disposing Shareholder and the Corporation, the purchase price shall be adjusted accordingly and the Disposing Shareholder shall lawfully transfer and assign to the Offeree all right, title and interest in the indebtedness at such closing.

FORCED BUY-SELL (SHOT GUN)

- 19. At any time during the continuance of this Agreement, a shareholder (in this section only, the "Offeror") may elect to notify in writing to the remaining shareholder (in this section only, the "Offeree") that he wishes to make an offer pursuant to this section.

20. The offer shall state that the Offeror is prepared to sell all, but not less than all, of his shares and the indebtedness of the Corporation owned by the Offeror, or to purchase all of the Offeree's shares and indebtedness of the Corporation owned by the Offeree.
21. The offer shall fix the per share price for the shares.
22. The offer shall fix the indebtedness of the corporation at such rate as may be specified (eg. payment in full, payment of \$0.50 on the dollar, etc.).
23. The Offeree shall within 30 days of the receipt of such notice elect either to sell all of the shares and indebtedness of the Corporation owned by the Offeree or to purchase all of the shares of the Corporation and indebtedness of the Corporation owned by the Offeror in either case at the per share price for the shares and at the value for the indebtedness set forth in the first mentioned notice and the Offeree shall notify the Offeror of his election in writing within such 30 day period.
24. In the event of the Offeree electing to purchase the Offeror's shares and indebtedness, the Agreement for Sale arising on such election shall be closed 20 days after the 30 day period expires, at which time the Offeror shall deliver to the Offeree:
 - a) a valid and enforceable assignment of the indebtedness subject to the notice; and,
 - b) the Offeror's valid and enforceable warranty in favour of the Offeree that the subject shares and indebtedness are owned absolutely by the Offeror and are held free and clear of any and all liens, charges, encumbrances or claims of any kind whatsoever (except the covenants of this Agreement);

and forthwith on the day of closing the Offeree shall pay to the Offeror or his nominee the full consideration in cash or by certified cheque.

25. In the event the Offeree fails to make the election to buy in the manner described, there shall be deemed to have arisen an agreement for the purchase by the Offeror from the Offeree and the sale by the Offeree to the Offeror of all the shares and indebtedness of the Corporation owned by the Offeree and such agreement or any agreement arising as a result of the Offeree electing by notice to the Offeror to sell to the Offeror shall be closed 20 days after the 30 day period expires at which time the Offeree shall deliver to the Offeror:

- a) a valid and enforceable assignment of the indebtedness subject to the notice; and,
 - b) the Offeree's valid and enforceable warranty in favour of the Offeror that the subject shares and indebtedness are owned absolutely by the Offeree and are held free and clear of any and all liens, charges, encumbrances or claims of any kind whatsoever (except the covenants of this Agreement);
- and forthwith on the day of closing the Offeror shall pay to the Offeree or his nominee the full consideration in cash or by certified cheque.

TERMINATION

26. This Agreement shall terminate on the happening of any one of the following events:
- a) the written agreement to terminate by all of the shareholders in the Corporation;
 - b) the dissolution, bankruptcy or insolvency of the Corporation; or
 - c) the Death of all of the shareholders in the Corporation simultaneously or within a period of 30 days of each other.

ENDORSEMENT ON SHARE CERTIFICATES

27. Any and all certificates representing shares now or subsequently acquired by the shareholders during the currency of this Agreement (whether such shares are issued initially or with respect to transfer or otherwise) shall have endorsed on them in bold type the following:

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO THE PROVISIONS OF A UNANIMOUS SHAREHOLDERS AGREEMENT DATED June 8 2015 AND SUCH SHARES ARE NOT TRANSFERABLE ON THE BOOKS OF THE CORPORATION EXCEPT IN COMPLIANCE WITH THE TERMS AND CONDITIONS OF SUCH AGREEMENT.

MISCELLANEOUS

28. Time shall be of the essence of this Agreement.
29. Failure by any party to insist in any one or more instances upon the strict performance of any one of the covenants contained in this agreement shall not be construed as a waiver or relinquishment of such covenant. No waiver by any party of any such covenant shall be deemed to have been made unless expressed in writing and signed by the waiving party.

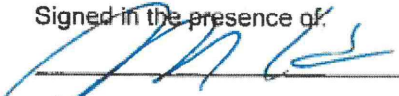
30. If any shareholder is required to pay a creditor pursuant to a guarantee of the debts of the corporation, such shareholder shall be entitled to indemnity from all other shareholders in the same proportion as that shareholders holding of voting shares in the corporation provided that no shareholder shall be required to contribute more than the limit of such shareholder's guarantee to the same creditor.
31. Any shareholder disposing of his or her interest in the corporation, either voluntarily or involuntarily shall forthwith resign as an employee, director and officer.
32. This Agreement shall enure to the benefit of and be binding upon the parties and their respective Personal Representatives, heirs, executors, administrators and assigns.
33. Each of the parties to this Agreement shall, at the request of any other party, and at the expense of the Corporation, execute and deliver any further documents and do all acts and things as that party may reasonably require to carry out the true intent and meaning of this Agreement.
34. The shareholders as directors and/or shareholders of the Corporation covenant and agree that they will to the extent that they are able:
 - a) approve of the purchase of shares by a shareholder or the Corporation of any transfer of shares in the capital of the Corporation required to be made to effectually carry out the terms of this Agreement;
 - b) cause the Corporation to make any election as may be required to give effect to this Agreement.
35. The address for service of notice or other documents required or permitted to be served pursuant to this Agreement shall be such party's address as last known in the Corporation's records or to such party's last known address. Any notice mailed by registered mail, postage prepaid, shall be deemed to have been received by the party to whom it is addressed five (5) days after the mailing
36. The headings form no part of this Agreement and shall be deemed to have been inserted for convenience and reference only.
37. This Agreement shall be governed by and construed in accordance with the laws in force from time to time in the Province of Alberta.

38. It is the intent of the parties that any breach of this agreement may be enforced by a Court order for specific performance where possible, and the parties agree to such remedy even though damages may be capable of assessment.
39. This Agreement shall apply to all of the shares of the Corporation now owned or hereafter acquired by the shareholders who are parties to this Agreement or any persons who subsequently hold shares in the Corporation.
40. The parties agree to vote all shares to give effect to this agreement and to remove all directors that act in contravention of this agreement.
41. If any provision of this agreement is invalid or unenforceable, such provision shall be severed and the remaining provisions of this agreement shall continue in full force and effect.
42. Wherever the plural is used throughout this Agreement shall be construed as meaning the singular or vice versa and the masculine shall be construed as meaning the feminine or a body corporate as the sex or context requires.
43. In the event of any conflict between the provisions of this Agreement and the Articles of Incorporation or Continuance of the Corporation, bylaws of the Corporation or any agreement to which the Corporation or shareholders is, becomes or may be deemed to be a party, the provisions of this Agreement shall govern to the extent permitted by law. Each of the shareholders agree to vote his shares so as to cause the Articles of Incorporation or bylaws of the Corporation, or both of them, as the case may be, to be amended to the extent permitted by law in order to resolve such conflict in favour of the provisions of this Agreement.
44. During the continuance of this Agreement, no shareholder shall have the right to sell or offer for sale or otherwise gift, transfer or dispose of all or any of his shares in the Corporation except in the manner and in accordance with the terms and conditions of this Agreement nor shall any party assign, transfer, charge or otherwise dispose of or encumber his shares in the Corporation from the date of this Agreement.

45. Any claim or controversy arising out of or relating to this Agreement, or any term or terms of this Agreement, or a breach of it, shall be settled by arbitration in accordance with *The Arbitration Act*.

This Agreement is executed this 8 day of June, 2015.

Signed in the presence of:



witness

Signed in the presence of:

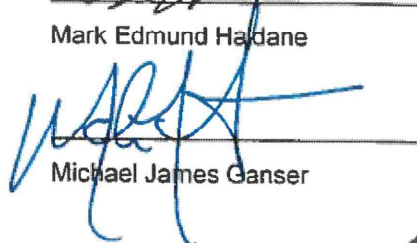


witness

)
)
)
)
)
)



Mark Edmund Haldane



Michael James Ganser

1872806 ALBERTA LTD.

Per:


Mark Edmund Haldane

Per:


Michael James Ganser

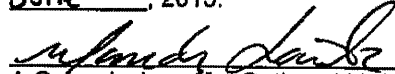
CANADA)
PROVINCE OF ALBERTA)
TO WIT:)

AFFIDAVIT OF EXECUTION


I, Michael S. Hall, of the City of Lloydminster, in the Province of Alberta, solicitor, MAKE OATH AND SAY:

1. That I was personally present and did see Mark Edmund Haldane and Michael James Ganser named in the within instrument, who are personally known to me to be the persons named therein, duly sign and execute the same for the purpose named therein.
2. That the same was executed at Lloydminster, Alberta and that I am a subscribing witness thereto.
3. That I know the said parties and each is in my belief of the full age of 18 years or more.

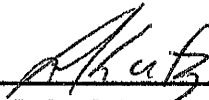
SWORN BEFORE ME at the City of Lloydminster, in the Province of Alberta, this 8 day of June, 2015.



A Commissioner for Oaths within/without the Province of Alberta.
My commission expires: July 12/16.
Mandy Lantz


Michael S. Hall

THIS IS EXHIBIT "13"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta



LAND TITLE CERTIFICATE

S
LINC SHORT LEGAL TITLE NUMBER
0031 646 326 0611068;1;1 151 253 085

LEGAL DESCRIPTION
PLAN 0611068
BLOCK 1
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 3.227 HECTARES (7.97 ACRES) MORE OR LESS

ESTATE: FEE SIMPLE
ATS REFERENCE: 5;4;32;34;SE

MUNICIPALITY: MOUNTAIN VIEW COUNTY

REFERENCE NUMBER: 071 522 236

| REGISTERED OWNER(S) | | | | |
|---------------------|------------|------------------|-------------|---------------|
| REGISTRATION | DATE (DMY) | DOCUMENT TYPE | VALUE | CONSIDERATION |
| 151 253 085 | 29/09/2015 | TRANSFER OF LAND | \$1,950,000 | \$1,950,000 |

OWNERS
1872806 ALBERTA LTD.
OF BOX 603
PROVOST
ALBERTA T0B 3S0

ENCUMBRANCES, LIENS & INTERESTS

| REGISTRATION | DATE (D/M/Y) | PARTICULARS |
|--------------|--------------|---|
| NUMBER | | |
| 751 056 163 | 09/06/1975 | UTILITY RIGHT OF WAY GRANTEE - FOOTHILLS NATURAL GAS CO-OP LTD. |
| 981 120 779 | 29/04/1998 | CAVEAT RE : ROADWAY CAVEATOR - MOUNTAIN VIEW COUNTY. BAG 100 DIDSBURY |

ENCUMBRANCES, LIENS & INTERESTS

PAGE 2
151 253 085

REGISTRATION

NUMBER DATE (D/M/Y) PARTICULARS

ALBERTA TOMOWO
AGENT - HAROLD JOHNSRUDE

061 133 952 04/04/2006 CAVEAT
RE : DEVELOPMENT AGREEMENT PURSUANT TO MUNICIPAL
GOVERNMENT ACT
CAVEATOR - MOUNTAIN VIEW COUNTY.
BAG 100
DIDSBURY
ALBERTA TOMOWO

071 295 087 13/06/2007 CAVEAT
RE : RESTRICTIVE COVENANT , ETC.

151 253 086 29/09/2015 MORTGAGE
MORTGAGEE - BUSINESS DEVELOPMENT BANK OF CANADA.
SUITE 200,4900 50 STREET
RED DEER
ALBERTA T4N1X7
ORIGINAL PRINCIPAL AMOUNT: \$1,560,000

151 253 087 29/09/2015 CAVEAT
RE : ASSIGNMENT OF RENTS AND LEASES
CAVEATOR - BUSINESS DEVELOPMENT BANK OF CANADA.
C/O ALTALAW LLP
5233 49 AVE
ATTN: THOMAS G. LANGFORD
RED DEER
ALBERTA T4N6G5
AGENT - THOMAS G LANGFORD

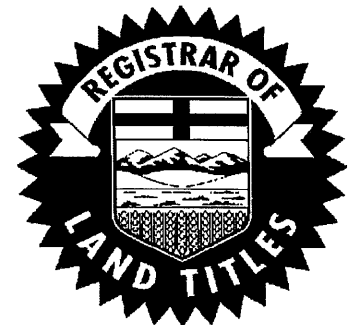
221 023 758 04/02/2022 CERTIFICATE OF LIS PENDENS
AFFECTS INSTRUMENT: 151253086
AFFECTS INSTRUMENT: 151253087

TOTAL INSTRUMENTS: 007

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN
ACCURATE REPRODUCTION OF THE CERTIFICATE OF
TITLE REPRESENTED HEREIN THIS 13 DAY OF MAY,
2024 AT 03:10 P.M.

ORDER NUMBER: 50498027

CUSTOMER FILE NUMBER: 61882-000



END OF CERTIFICATE

(CONTINUED)

MEH 115

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER, SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION, APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

THIS IS EXHIBIT "14"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta



Letter of Offer dated March 30, 2015

BDCID: 10001933237

1872806 Alberta Ltd.
Box 39 Site 12
Sundre, AB
T0M 1X0

Attention of: Mr. Mark Haldane

Re: Loan(s) No. 089614-01

In accordance with this letter of offer of credit as amended from time to time (the "Letter of Offer"), Business Development Bank of Canada ("BDC") is pleased to offer you the following loan(s) (hereinafter individually or collectively referred to as the "Loan"). The Letter of Offer is open for acceptance until April 9, 2015 (the "Acceptance Date") after which date it shall become null and void.

LOAN PURPOSE AND FUNDING

Loan Purpose

| | |
|----------------------------|--------------|
| Commercial Building Sundre | 1,950,000.00 |
| | <hr/> |
| | 1,950,000.00 |

Funding

| | |
|------------------------|--------------|
| BDC 089614-01 | 1,560,000.00 |
| Shareholder Investment | 200,000.00 |
| Vendor Take Back | 190,000.00 |
| | <hr/> |
| | 1,950,000.00 |

No change to the Loan Purpose or Funding may be made without BDC's prior written consent. The proceeds of the Loan may only be used for the Loan Purpose.

DEFINITIONS

In the Letter of Offer, capitalized terms have the meanings described in Schedule "A" – Section I or are defined elsewhere in the text of the Letter of Offer.

LENDER

BDC

Business Development Bank of Canada
4900 - 50th St. Suite 200
Red Deer AB T4N 1X7
www.bdc.ca

Canada

BORROWER

1872806 Alberta Ltd. (the "Borrower")

GUARANTOR

1823741 Alberta Ltd

Mark Edmund Haldane

Michael James Ganser

(Hereinafter individually or collectively referred to as the "Guarantor"). The terms of each guarantee are set forth in the Security section below.

LOAN AMOUNT

Loan 089614-01: \$1,560,000.00

INTEREST RATE

The Loan and all other amounts owing by the Borrower pursuant to the Loan Documents shall bear interest at the following rate:

Loan 089614-01

Floating Rate

BDC's Floating Base Rate plus a variance of 0.25% per year (the "Variance 01") On the date hereof, BDC's Floating Base Rate is 4.85% per year.

INTEREST CALCULATION

Interest shall be calculated monthly on the outstanding principal, commencing on the date of the first disbursement, both before and after maturity, Default and judgement.

Arrears of interest or principal and all other amounts owing by the Borrower pursuant to the Loan Documents shall bear interest at the rate applicable to the Loan and shall be calculated and compounded monthly.

REPAYMENT

Principal of the Loan is repayable according to the following. The balance of the Loan in principal and interest and all other amounts owing pursuant to the Loan Documents shall become due and payable on the Maturity Date (the "Maturity Date").

Loan 089614-01



Regular

| Payments | | | Start Date | End Date |
|----------|-----------|-------------|------------|------------|
| Number | Frequency | Amount (\$) | | |
| 300 | Monthly | 5,200.00 | 01-09-2015 | 01-08-2040 |

In addition, interest is payable monthly on the 1st day of the month (the "Payment Date 01") commencing on the next occurring Payment Date 01 following the first advance on the Loan.

Maturity Date: August 1, 2040 (the "Maturity Date 01")

PREPAYMENT

Annual Prepayment Privilege: Provided that the Borrower is not in default of any of its obligations to BDC, the Borrower may, once in any 12 month period, prepay up to 15% of the outstanding principal on any Loan without Indemnity. The first prepayment can be made at any time more than one year after March 27, 2015. The prepayment privilege is not cumulative and each prepayment on an individual Loan must be at least 12 months subsequent to the last prepayment on that same loan. The prepayment privilege is not transferable from one individual Loan to another and is not applicable if any Loan is being repaid in full.

In addition to the annual privilege, the Borrower may prepay at any time all or part of the principal provided that the Borrower pays the interest owing up to the time of the prepayment together with an indemnity equal to:

If the interest rate on the Loan is a floating rate:

- three months further interest on the principal prepaid at the floating interest rate then applicable to the Loan.

If the interest rate on the Loan is a fixed rate:

- the sum of (a) three months further interest on the principal prepaid at the fixed interest rate then applicable to the Loan; and (b) the Interest Differential Charge.

Partial prepayments shall be applied regressively on the then last maturing instalments of principal

SECURITY

The Loan, interest on the Loan and all other amounts owing pursuant to the Loan Documents shall be secured by the following (the "Security"):

Loan 089614-01

1. First readvanceable mortgage in the face amount of \$1,560,000 on land (approx. 7.97 acres) legally described as Plan 0611068 Block 1, Lot 1, and buildings (approx. 12,000 sq ft. and approx. 3,900 sq.ft.) located in Mountain View County, Alberta. Building location survey or title insurance required.
2. General Security Agreement from 1872806 Alberta Ltd, providing a security interest in all other present and after-acquired personal property subject only to:
 - All existing prior charges except charges in favour of a shareholder, director, officer or family member or any of those persons or any entity in which any of these persons have an interest, and
 - Priority on Inventory and accounts receivable to the lender extending line of credit, and
 - Existing and future charges on or leases of equipment.
3. Guarantee of 1823741 Alberta Ltd. for the full amount of the loan supported by a General Security Agreement providing a security interest in all other present and after-acquired personal property subject only to:
 - All existing prior charges except charges in favour of a shareholder, director, officer or family member or any of those persons or any entity in which any of these persons have an interest, and
 - Priority on Inventory and accounts receivable to the lender extending line of credit, and
 - Existing and future charges on or leases of equipment.
4. Joint and Several Guarantee of Mark Edmund Haldane and Michael James Ganser for \$500,000. The guarantors agree that they are directly responsible for the payment of the cancellation, standby and legal fees.
5. First registered general assignment of rents. Rent may be paid to lessor until notified by BDC. No prepayment without BDC's approval.
6. Postponement of a \$190,000 debt owed by 1872806 Alberta Ltd. to Vendor, Doubletree Development Corp. Providing the BDC Loan is in good standing, interest may be paid.

DISBURSEMENT

The Loan funds shall be disbursed as follows:

Loan 089614-01

1. BDC will disburse the funds upon completion of Security and satisfaction of Conditions Precedent and in conjunction with \$200,000 Shareholder's Investment which was applied as a Deposit on February 13, 2015 through a lawyers trust, and a \$190,000 Vendor Take Back Agreement to close the realty being purchased under the current programme.

Unless otherwise authorized, funds for each Loan account number shall be disbursed to the solicitor or notary who shall confirm to BDC the execution, delivery and registration of the Security relating to the Loan.

CONDITIONS PRECEDENT

Any obligation to make any advance under the Letter of Offer is subject to the following conditions being fulfilled to the satisfaction of BDC:

1. Receipt of the Security in form and substance satisfactory to BDC registered as required to perfect and maintain the validity and rank of the security, and such certificates, authorizations, resolutions and legal opinions as BDC may reasonably require.
2. Satisfactory review of all financial information relating to the Borrower and any corporate Guarantor and their respective business as BDC may reasonably require.
3. No Default or Event of Default shall have occurred.
4. No Material Adverse Change shall have occurred.
5. Provision of documents evidencing expenditures under the Loan Purpose, if applicable.
6. Satisfaction of all applicable disbursement conditions contained in the Disbursement section of this Letter of Offer.
7. Agreement duly signed by both parties covering a Vendor takeback loan in the amount of \$190,000.00 will have no repayment terms for five years from closing date unless BDC consents in writing. Interest may accrue on the advance provided the BDC loan is in good standing. Vendor, Doubletree Development Corp., may place a second charge on the purchaser 1872806 Alberta Ltd. to protect their loan.
8. Provide a review engagement financial statement as of April 30, 2015 which shows no Material Adverse Change in the financial position of 1823741 Alberta Ltd. since the Borrower prepared financial statements dated December 31, 2014. These financial statements must report:
 - a) Minimum Net Profit of \$120,000 (after tax and any dividends)
 - b) Minimum Tangible Equity of \$520,000Financial statements must be verbally verified with the Accountant that prepared them and the BDC, and deemed acceptable in the sole opinion of the Bank.

UNDERLYING CONDITIONS

The following conditions shall apply throughout the term of the Loan:

1. Annually, you agree to provide BDC, on demand, with written proof of your payment of the property, school or similar taxes which are assessed against the mortgaged land and improvements (the "taxes"), within thirty (30) days following the due date of each required instalment.
Should you default in paying any such instalment of the taxes when due, you will pay BDC monthly payments as calculated by BDC to establish a tax reserve account. These payments will be collected by the pre-authorized debit plan and the funds in the account will earn interest in accordance with BDC's policy then in effect. You authorize BDC to pay the relevant taxing authorities. Should there be insufficient funds to satisfy the taxes owing, you will pay the shortfall. BDC will not be responsible for funding the shortfall or any arrears, including interest and other charges. You will instruct the taxing authority to forward a copy of the tax notice to BDC, or you will deliver a copy to BDC upon receipt.
2. You shall abide by the following conditions in relation to the renting to, and occupancy by, third parties of realty relating to your business:

- a) provide BDC with a copy of all current and future leases (including sub-leases), the terms and conditions of which must be acceptable to BDC and which must be subject to the terms and conditions of this Letter of Offer;
- b) inform BDC immediately of any change of tenants or occupants, current and future, and obtain BDC's prior approval of all new tenants or occupants;
- c) ensure that all tenants, sub-tenants and occupants, current and future, conform to BDC's policy regarding "Ineligible Activities" and respect all environmental laws and regulations;
- d) include in all new leases, lease renewals and sub-leases a clause requiring that the tenant(s) and occupant(s) conform to BDC's policy regarding "Ineligible Activities" and a clause containing a covenant to respect all environmental laws and regulations.
- e) refrain from amending leases and sub-leases without BDC's prior consent;
- f) pay the cost of serving such legal and other notices to your tenants as BDC may deem necessary from time to time to protect BDC's interests in relation to this Loan.

REPRESENTATIONS AND WARRANTIES

The Borrower makes the representations and warranties in Schedule "A" – Section II. These representations and warranties shall survive the execution of the Letter of Offer and shall continue in force and effect until the full payment and performance of all obligations of the Borrower pursuant to the Loan Documents.

COVENANTS

So long as any amount owing pursuant to the Loan Documents remains unpaid, the Borrower and any corporate Guarantor shall perform the covenants in Schedule "A" – Section III.

REPORTING OBLIGATIONS

The Borrower (and if applicable the corporate Guarantor) shall provide to BDC within 90 days of its (their) fiscal year end the following financial statements:

| Company | Type | Frequency | Period Ending |
|---------------------|-------------------|-----------|---------------|
| 1872806 Alberta Ltd | Notice to Reader | Annual | April |
| 1823741 Alberta Ltd | Review Engagement | Annual | April |

and such other financial and operating statements and reports as and when BDC may reasonably require.

EVENTS OF DEFAULT

The occurrence of any of the events listed in Schedule "A" – Section IV constitutes an event of default under the Letter of Offer (each an "Event of Default"). If an Event of Default occurs, any obligation of BDC to make any advance, shall, at BDC's option, terminate and BDC may, at its

option, demand immediate payment of the Loan and enforce any Security

FEES

Cancellation Fee

If the Borrower does not draw on the Loan by the Lapsing Date indicated below (the "Lapsing Date"), the Loan shall lapse and be cancelled and the Borrower and the Guarantor shall pay BDC the applicable cancellation fee indicated below. If the Loan is partially disbursed on the Lapsing Date, the Borrower and Guarantor shall pay BDC a percentage of the cancellation fee in proportion to the percentage of the Loan that is cancelled. No cancellation fee will be payable if 50% or more of the Loan has been disbursed.

The cancellation fee is payable on demand and is liquidated damages, not a penalty, and represents a reasonable estimate of BDC's damages should the Loan be cancelled or allowed to lapse in whole or in part.

Loan 089614-01

Lapsing Date: March 27, 2016 (the "Lapsing Date 01").
Cancellation Fee: \$46,800.00 (the "Cancellation Fee 01").

Standby Fee

The Borrower and the Guarantor shall pay BDC a non-refundable standby fee calculated at a rate as indicated below on the portion of the Loan which has not been advanced or cancelled excluding the Consulting portion and/or Future Interest Reserve. This fee shall be calculated daily and be payable in arrears commencing on the date indicated below and on each Payment Date thereafter.

Loan 089614-01

Rate: 1.50% per annum
Date: September 27, 2015

Legal Fees and Expenses

The Borrower and the Guarantor shall pay, on demand, all legal and other out-of-pocket costs of BDC incurred in connection with the Loan and the Loan Documents including the enforcement of the Loan and the Loan Documents, whether or not any documentation is entered into or any advance is made to the Borrower. All legal and other out-of-pocket expenses of BDC in connection with any amendment or waiver related to the Loan and the Loan documents shall also be for the account of the Borrower.

Loan Management Fee

The Borrower shall pay BDC an annual management fee as indicated below. This management fee is payable annually on the Payment Date immediately following each anniversary of the first advance of the specific Loan account number. This fee is non-refundable and is subject to change.

Loan 089614-01

\$750.00 per year (the "Management Fee 01")

Transaction Fees

The Borrower shall pay BDC loan amendment and Security processing fees charged for the administrative handling of the Loan.

CONFLICTS

The Loan Documents constitute the entire agreement between BDC and the Borrower. To the extent that any provision of the Letter of Offer is inconsistent with or in conflict with the provisions of the other Loan Documents, such provision of the Letter of Offer shall govern.

INDEMNITY

The Borrower shall indemnify and hold BDC harmless against any and all claims, damages, losses, liabilities and expenses incurred, suffered or sustained by BDC by reason of or relating directly or indirectly to the Loan Documents save and except any such claim, damage, loss, liability and expense resulting from the gross negligence or willful misconduct of BDC.

GOVERNING LAW

This Letter of Offer shall be governed by and construed in accordance with the laws of the jurisdiction in which the Business Centre of BDC is located as shown on the first page of this Letter of Offer.

SUCCESSORS AND ASSIGNS

The Letter of Offer shall extend to and be binding on the Borrower and BDC and their respective successors and assigns. BDC, in its sole discretion, may assign, sell or grant participation in (a "transfer") all or any part of its rights and obligations under this Letter of Offer or the Loan to any third party, and the Borrower agrees to sign any documents and take any actions that BDC may reasonably require in connection with any such transfer. Upon completion of the transfer, the third party will have the same rights and obligations under this Letter of Offer as if it were a party to it, with respect to all rights and obligations included in the transfer and BDC will be released to the extent of any interest under this Letter of Offer or the Loan it assigns. BDC may disclose information it has in connection with the Borrower or any Guarantor to any actual or prospective transferee. No Borrower or Guarantor shall have the right to assign any of its rights or obligations under or pursuant to the Loan Documents without BDC's prior written consent.

ACCEPTANCE

The Letter of Offer and any modification of it may be executed and delivered by original signature, fax, or any other electronic means of communication acceptable to BDC and in any number of counterparts, each of which is deemed to be an original and all of which taken together shall constitute one and the same Letter of Offer.

LETTER OF OFFER 1872806 Alberta Ltd - 089814, March 30, 2015

SCHEDULE

The Letter of Offer includes Schedule "A" which contains Definitions, Representations and Warranties, Covenants, Events of Default and General Terms and Conditions. Schedule "A" has been inserted after the signature page and forms an integral part of the Letter of Offer.

LANGUAGE CLAUSE

The parties hereby confirm their express wish that the Letter of Offer and all related documents be drawn up in the English language. Les parties reconnaissent leur volonté expresse que la présente lettre d'offre ainsi que tous les documents qui s'y rattachent soient rédigés en langue anglaise.

Should you have any questions regarding the Letter of Offer, do not hesitate to communicate with one of the undersigned.



Amy Hunter
Senior Account Manager
Phone: (403) 340-4208
Fax: (403) 340-4243
amy.hunter@bdc.ca



Kenneth Holmes
Manager, Business Centre
Phone: (403) 340-4209
Fax: (403) 340-4243
ken.holmes@bdc.ca

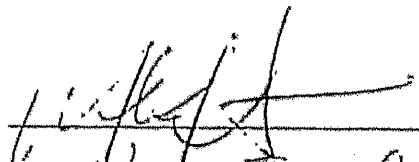
LETTER OF OFFER 1872806 Alberta Ltd - D89614, March 30, 2015

ACCEPTANCE

The parties accept the terms and conditions set forth above and in the attached Schedule "A".

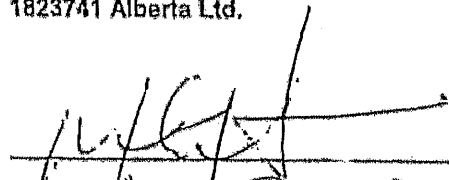
This 1 day of APRIL 2015.

1872806 Alberta Ltd.


_____, Authorized Signing Officer
Name: MICHAEL JAMES GANSLER
(Please print name of signing party)

GUARANTOR(S)

1823741 Alberta Ltd.


_____, Authorized Signing Officer
Name: MICHAEL JAMES GANSLER
(Please print name of signing party)



Mark Edmund Haldane



Michael James Gansler

March 30, 2015

SECTION I - DEFINITIONS

"Available Funds" - means in respect of the Borrower and any corporate Guarantor for any period of 12 months, the sum of the net profits before non-recurring or non-operating items that are not related to normal operations (as designated by the external accredited accountant) plus depreciation and amortization; plus deferred income taxes; and minus dividends

"Available Funds Coverage Ratio" - means the ratio of Available Funds over the current portion of Term Debt.

"BDC's Base Rate" - means the annual rate of interest announced by BDC through its offices from time to time as its base rate and, as the case may be, subject to a discount for the duration, applicable to each of BDC's fixed interest rate plans then in effect for determining the fixed interest rates on Canadian dollar loans.

"BDC's Floating Base Rate" - means the annual rate of interest announced by BDC through its offices from time to time as its floating rate then in effect for determining the floating interest rates on Canadian dollar loans. The interest rate applicable to the Loan shall vary automatically without notice to the Borrower upon each change in BDC's Floating Base Rate.

"BDC's US Dollar Floating Base Rate" - means the 1-month US Dollar floating base rate set the last business day of each month for the following month for determining the floating interest rates on US Dollar loans. The interest rate applicable to the Loan shall vary automatically without notice to the Borrower upon each change in BDC's US Dollar Floating Base Rate. BDC's US Dollar Floating Base Rate for the period from the date of the first advance on the Loan to the first business day of the following month will be the 1-month US Dollar floating base rate as established by BDC on the first business day of the month in which the funds are disbursed. Thereafter, the 1-month US Dollar Floating Base Rate may vary on the first business day of each month.

"Corresponding Fixed Interest Rate Plan" - means, at any time in respect of a prepayment, the fixed interest rate plan then being offered by BDC to its clients equal to the number of years, rounded to the nearest year (minimum of one year), from the date such prepayment is received to the next scheduled Interest Adjustment Date (or the Maturity Date if earlier).

"Default" - means an Event of Default or any condition that, with the giving of notice, the passage of time or otherwise, is susceptible of being an Event of Default.

"GAAP" - means generally accepted accounting principles in Canada applied consistently.

"GAAP for Private Enterprises" - means generally accepted accounting principles approved by the Accounting Standards Board for financial reporting for private companies in Canada who have elected not to adopt IFRS.

"IFRS" - means International Financial Reporting Standards approved by the Accounting Standards Board for accounting for publicly accountable enterprises and private enterprises who have voluntarily decided to adopt this set of standards.

"Interest Adjustment Date" - means, in respect of any fixed interest rate plan, the day after the interest Expiration Date of such fixed interest rate plan.

"Interest Differential Charge" - means, in respect of the prepayment of the Loan or any portion of the Loan on a fixed interest rate plan, if, on the date of the prepayment, the BDC's Base Rate for the Corresponding Fixed Interest Rate Plan is lower than the BDC's Base Rate in effect when the Borrower entered or renewed the fixed interest rate plan, whichever is most recent, the amount calculated as follows:

- (i) the difference between the two rates;
- (ii) such interest differential is multiplied by the principal that would have been outstanding at each future Payment Date until the next Interest Adjustment Date (or the maturity of the principal if earlier);
- (iii) the Interest Differential Charge is the present value of those monthly amounts calculated using BDC's Base Rate for the Corresponding Fixed Interest Rate Plan as the discount rate. In the case of partial prepayment, the Interest Differential Charge will be reduced in the same proportion as the amount prepaid bears to the principal outstanding on the Loan at the time prepayment is received. If the Loan is secured by a mortgage or a hypothec on real estate and the Loan is prepaid in full after 5 years from the date of the mortgage or hypothec, the Interest Differential Charge shall not be payable if the mortgage or hypothec is given by an individual and shall only be payable if permitted under the Interest Act.

"Interest Expiration Date" – means the date on which a fixed interest rate plan expires.

"Loan" - shall have the meaning indicated in the Letter of Offer, or, as the context may require, at any time the unpaid principal balance of the Loan.

"Loan Documents" – means, collectively, the application for financing, the Letter of Offer, the security contemplated by the Letter of Offer and all other documents, instruments and agreements delivered in connection with the foregoing

"Material Adverse Change" – means:

- (i) a material adverse change in, or a material adverse effect upon, the financial condition, operations, assets, business, properties or prospects of the Borrower or any corporate Guarantor,
- (ii) a material impairment of the ability of the Borrower or any corporate Guarantor to perform any of their obligations under any Loan Document, or
- (iii) a material adverse effect upon any substantial portion of the assets subject to security in favour of BDC or upon the legality, validity, binding effect, rank or enforceability of any Loan Document.

"Person" – includes any natural person, corporation, company, Limited Liability Company, trust, joint venture, association, incorporated organization, partnership, governmental authority or other entity.

"Tangible Equity" – means the sum of the share capital (owners' capital for non-incorporated businesses); plus retained earnings (accumulated net income); plus subordinated loans or advances from the shareholders (owners) and related businesses; minus loans or advances to the shareholders (owners), directors, related or non-related businesses.

"Term Debt" – means the sum of the long-term debt plus the capital leases including the current portion to be paid over the next 12 months; plus the book value of preferred shares subject to a formal redemption agreement, if any.

"Term Debt to Tangible Equity Ratio" – means the ratio of the Term Debt over the Tangible Equity.

"Working Capital Ratio" – means the ratio of the total current assets over the total current liabilities. Current assets include the following: cash on deposit, accounts receivable (trade and other), inventory and prepaid expenses. Current liabilities include the following: bank advances, cheques in transit, accounts payable (trade and other) and the current portion due within the next 12 months of all long term debts.

SECTION II - REPRESENTATIONS AND WARRANTIES

The Borrower hereby represents and warrants to BDC that:

1. It is a partnership, trust or corporation, as the case may be, duly constituted, validly existing and duly registered or qualified to carry on business in each jurisdiction where it is required by applicable laws to be so registered or qualified
2. The execution, delivery and performance of its obligations under the Letter of Offer and the other Loan Documents to which it is a party have been duly authorized and constitute legal, valid and binding obligations enforceable in accordance with their respective terms.
3. It is not in violation of any applicable law, which violation could lead to a Material Adverse Change
4. No Material Adverse Change exists and there are no circumstances or events that constitute or would constitute, with the lapse of time, the giving of notice or otherwise, a Material Adverse Change.
5. No Default or Event of Default exists.
6. All information provided by it to BDC is complete and accurate and does not omit any material fact and, without limiting the generality of the foregoing, all financial statements delivered by it to BDC fairly present its financial condition as of the date of such financial statements and the results of its operations for the period covered by such financial statements, all in accordance with GAAP.
7. There is no pending or threatened claim, action, prosecution or proceeding of any kind including but not limited to non-compliance with environmental law or arising from the presence or release of any

contaminant against it or its assets before any court or administrative agency which, if adversely determined, could lead to a Material Adverse Change.

8. In respect of properties and assets charged to BDC, it has good and marketable title, free and clear of any encumbrances, except those encumbrances which BDC has accepted in writing

The foregoing representations and warranties shall remain in force and true until the Loan is repaid in full.

SECTION III - COVENANTS

The Borrower and each corporate Guarantor shall:

1. Perform their obligations and covenants under the Loan Documents.
2. Maintain in full force and effect and enforceable the Security contemplated by this Letter of Offer.
3. Notify BDC immediately of the occurrence of any Default under the Letter of Offer or any other Loan Documents.
4. Comply with all applicable laws and regulations.
5. Keep all secured assets insured for physical damages and losses on an "All-Risks" basis, including Equipment Breakdown (or Boiler & Machinery) where applicable, for their full replacement value and cause all such insurance policies to name BDC as loss payee as its interests may appear. The policies shall also name BDC as mortgagee and include a standard mortgage clause in respect of buildings over which BDC holds Security; and
as further Security, assign or hypothecate all insurance proceeds to BDC; and
if requested by BDC, maintain adequate general liability insurance and environmental insurance to protect it against any losses or claims arising from pollution or contamination incidents, or any other type of insurance it may reasonably require, and to provide copies of such policies; and maintain all policies of insurance in effect for the duration of the Loan.
6. Notify BDC immediately of any loss or damage to their property.
7. Without limiting the generality of paragraph 4 above, in relation to their business operations and the assets and projects of their business, operate in conformity with all environmental laws and regulations; make certain that their assets are and shall remain free of environmental damage; inform BDC immediately upon becoming aware of any environmental issue and promptly provide BDC with copies of all communications with environmental authorities and all environmental assessments; pay the cost of any external environmental consultant engaged by BDC to effect an environmental audit and the cost of any environmental rehabilitation or removal necessary to protect, preserve or remediate the assets, including any fine or penalty BDC is obligated to incur by reason of any statute, order or directive by a competent authority.
8. Promptly pay all government remittances, assessments and taxes including real estate taxes and provide BDC with proof of payments as BDC may request from time to time.
9. Promptly furnish to BDC such information, reports, certificates and other documents concerning the Borrower and any corporate Guarantor as BDC may reasonably request from time to time.
10. Not, without the prior written consent of BDC,
 - a. Change the nature of their business.
 - b. Amalgamate, merge, acquire or otherwise restructure their business, or create an affiliated company, or sell or otherwise transfer a substantial part of their business or any substantial part of their assets, or grant any operating license.
 - c. Permit any Person holding Equity Interests in the Borrower or any corporate Guarantor or in any Person that controls directly or indirectly the Borrower or any corporate Guarantor, to sell or transfer their Equity Interests in such Borrower or corporate Guarantor, or permit the Borrower or any corporate Guarantor or any Person that directly or indirectly controls the Borrower or any corporate Guarantor to issue any Equity Interests to any Person which is not a Borrower or a corporate Guarantor.

"Equity Interests" means, with respect to any Person, any and all shares, interests, participations, rights in, or other equivalents (however designated) of such Person's capital, including any interest in a partnership, limited partnership or other similar Person and any beneficial interest in a trust, which carry

the right to vote on the election of directors or individuals exercising similar functions in respect of such Person and/or which entitle their holder to participate in the profits of such Person.

This provision shall not apply to any Borrower or any corporate Guarantor who is a Public Issuer.

"Public Issuer" means any Borrower or any corporate Guarantor whose Equity Interests are listed or posted for trading on the Toronto Stock Exchange or the TSX Venture Exchange or any other stock exchange or over-the-counter market acceptable to BDC.

11. Not engage in, or permit their premises to be used by a tenant or other Person, for any activity which BDC, from time to time, deems ineligible, including without limitation any of the following ineligible activities:

- a. businesses that are sexually exploitive or that are inconsistent with generally accepted community standards of conduct and propriety, including those that feature sexually explicit entertainment, products or services; businesses that are engaged in or associated with illegal activities; businesses trading in countries that are proscribed by the Federal Government;
- b. businesses that operate as stand-alone nightclubs, bars, lounges, cabarets, casinos, discotheques, video arcades, pool and billiard halls, and similar operations; or
- c. businesses that promote nudism and naturism.

BDC's finding that there is an ineligible activity shall be final and binding between the parties and will not be subject to review. The prohibitions set out in this paragraph 11 shall also apply to any entity that controls, is controlled by, or that is under the common control with, any Borrower and any corporate Guarantor.

SECTION IV - EVENTS OF DEFAULT

1. The Borrower fails to pay any amount owing under or pursuant to the Loan Documents.
2. The Borrower fails to comply with or to perform any provision of the Letter of Offer or the other Loan Documents.
3. The Borrower and/or the Guarantor is in default under any other agreement with BDC or any third party for the granting of a loan or other financial assistance and such default remains unremedied after any cure period provided in such other agreement.
4. Any representation or warranty made by the Borrower or any corporate Guarantor in any Loan Document is breached, false or misleading in any material respect, or becomes at any time false.
5. Any schedule, certificate, financial statement, report, notice or other writing furnished by the Borrower or corporate Guarantor to BDC in connection with the Loan is false or misleading in any material respect on the date as of which the facts therein set forth are stated or certified.
6. The Borrower or corporate Guarantor becomes insolvent or generally fails to pay, or admits in writing their inability or refusal to pay their debts as they become due; or any Borrower or corporate Guarantor applies for, consents to, or acquiesces in the appointment of a trustee, receiver or other custodian for such Borrower or corporate Guarantor or any property thereof, or makes a general assignment for the benefit of creditors; or, in the absence of such application, consent or acquiescence, a trustee, receiver or other custodian is appointed for the Borrower or corporate Guarantor for a substantial part of the property of such party; or any bankruptcy, reorganization, debt arrangement, or other case or proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding, is commenced in respect of such party, or any Borrower or corporate Guarantor takes any action to authorize, or in furtherance of, any of the foregoing.
7. The Borrower ceases or threatens to cease to carry on all or a substantial part of their business.
8. Without the prior written consent of BDC, the occurrence of a change of control of the Borrower (as determined by BDC) who is not a Public Issuer.
9. The Borrower or any corporate Guarantor is in violation of any applicable law relating to terrorism or money laundering, including the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada).
10. In the event that either a) any Person or group of Persons, acting jointly or in concert, that already owns 20% or more of the outstanding Equity Interests of a Public Issuer, acquires a number of Equity Interests from such Public Issuer or from any third party that would result in such Person or group of Persons owning more than 50% of the outstanding Equity Interests of such Public Issuer or b) any Person or

group of Persons, acting jointly or in concert, that does not already own 20% or more of the outstanding Equity Interests of a Public Issuer, acquires a number of Equity Interests from such Public Issuer or from any third party that would result in such Person or group of Persons owning at least 20% of the outstanding Equity Interests of such Public Issuer, BDC may review the Loan and may require that the Loan, together with interest and any other amounts then outstanding, be repaid within sixty (60) days. Should the Borrower fail to repay the Loan, accrued interest, and all other amounts outstanding within sixty (60) days of the demand by BDC under this provision, the Borrower shall be in Default and same shall constitute an Event of Default.

SECTION V - GENERAL TERMS AND CONDITIONS

The Borrower and each Guarantor agree to the following additional provisions:

Other Available Interest Rate Plans

Upon acceptance of the Letter of Offer, the Borrower can select one of BDC's other available fixed or floating interest rate plans. If the selection is made before the Acceptance Date, there is no fee and the selected plan shall be based on BDC's Base Rate in effect on the Loan Authorization Date. If the selection is made after the Initial Acceptance Date, there is a fee and an Interest Differential Charge may apply. The new rate shall become effective on the fourth day following receipt of the request by BDC. However, in the event of a period of increased interest rate volatility, which will be determined by a fluctuation of greater than 0.5% during the same transaction day of the yield to maturity of the five-year Canada bond benchmark, the Bank reserves the right to suspend the borrower's right to switch from a floating interest rate plan to a fixed interest rate plan.

Standby Fee Date Change When Switching From Floating to Fixed Rate Plans

If the Borrower changes to a fixed interest rate plan within 2 months after the Loan Authorization Date, the standby fee shall be effective two months after the Loan Authorization Date. If the change to a fixed interest rate plan occurs later than two months after the Loan Authorization Date, the standby fee shall be effective on the date the new fixed interest plan takes effect.

Interest Adjustment Date

Provided no Default has occurred and is continuing, prior to each Interest Adjustment Date, BDC shall advise the Borrower of BDC's Base Rates then in effect for the fixed interest rate plans available. Not later than on the current Interest Expiration Date, the Borrower shall select a new interest rate plan. If the Borrower selects a new fixed interest rate plan, effective on the Interest Adjustment Date, the interest rate for the Loan shall be BDC's Base Rate applicable to the fixed interest rate plan selected by the Borrower adjusted by the Variance which new rate shall be applicable until the next Interest Expiration Date. If the Loan is on a fixed interest rate plan with blended payments of principal and interest, the repayment schedule shall be adjusted on each Interest Adjustment Date. If the Borrower has not advised BDC in writing of its choice before an Interest Adjustment Date, the Loan shall automatically switch to BDC's floating interest rate plan on the Interest Adjustment Date with an interest rate being BDC's Floating Base Rate as adjusted by the Variance. Outstanding principal for blended payment loans shall then be divided in equal monthly instalments to be paid until Maturity Date.

In the event BDC should demand repayment of the Loan by reason of an Event of Default, any fixed interest rate applicable at the time of demand shall continue to apply to the Loan until full repayment and shall not be adjusted at the next Interest Adjustment Date.

Pre-Authorized Payment System

All payments provided for in the Letter of Offer must be made by pre-authorized debits from the Borrower's bank account. The Borrower shall sign all documentation required to that effect and provide a sample cheque marked void.

Application of Payments

All payments shall be applied in the following order.

1. any prepayment indemnity (including the monthly interest and Interest Differential Charge)
2. protective disbursements,
3. standby fees (arrear and current);

4. arrears, in the following order, transaction fees, administration fees, management fees, interest and principal;
5. current balances, in the following order, transaction fees, management fees, interest and principal;
6. cancellation fees;
7. credits to the tax reserve account and asset maintenance and upgrade account, if applicable, and
8. other amounts due and payable.

Other than regular payments of principal and interest, BDC may apply any other monies received by it, before or after Default, to any debt the Borrower may owe BDC under or pursuant to the Letter of Offer or any other agreement and BDC may change those applications from time to time.

Consent to Obtaining Information

The Borrower and any corporate Guarantor authorize BDC, from time to time, to obtain financial, compliance, account status and any other information about a Borrower and any corporate Guarantor and their respective business from their accountants, their auditors, any financial institution, creditor, credit reporting or rating agency, credit bureau, governmental department, body or utility.

Notices

Notices must be in writing and may be given in person, or by letter sent by fax, mail, courier or electronically, if to the Borrower, at the Borrower's address above or such other addresses as the Borrower may advise BDC in writing, or if to BDC, at BDC's address above.

Joint and Several Liability

Where in the Loan Documents, any covenant, agreement, warranty, representation or obligation is made or imposed upon two or more Persons or a party comprised of more than one Person, each such covenant, agreement, warranty, representation or obligation shall be deemed to be and be read and construed as a joint and several (solidary in Quebec) covenant, agreement, warranty, representation or obligation of each such Person or party, as the case may be. Without limiting the generality of the foregoing, each Borrower shall be jointly and severally (solidarily) liable with each other to BDC for the full performance of all obligations under the Loan Documents.

Anti-Money Laundering/Know Your Client

The Borrower and each Guarantor acknowledge that, pursuant to prudent banking practices in respect of "knowing your client", BDC, in compliance with its internal policies, is required to verify and record information regarding the Borrower and each Guarantor, their directors, authorized signing officers, shareholders and other Persons in control of the Borrower and each Guarantor. The Borrower and each Guarantor shall promptly provide all such information, including supporting documentation and other evidence, as may be reasonably requested by BDC or any prospective assignee or other financial institution participating in the Loan with BDC, in order to comply with internal policies and applicable laws on anti-money laundering and anti-terrorist financing.

Confidentiality

The Borrower and each Guarantor shall not disclose the contents of this Letter of Offer to anyone except its professional advisors.

Changes In Accounting Standards

In the event that a Borrower or any Guarantor adopts any changes in accounting standards, including but not limited to GAAP for Private Enterprises and International Financial Reporting Standards (IFRS), which have an effect on any provision in the Letter of Offer relying on financial statement calculations, BDC may amend such provision to reflect the original intent of the provision.

THIS IS EXHIBIT "15"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

**ALBERTA GOVERNMENT SERVICES
LAND TITLES OFFICE**

IMAGE OF DOCUMENT REGISTERED AS:

151253086

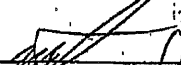
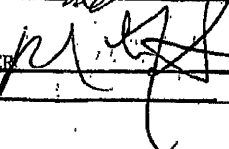
ORDER NUMBER: 50077574

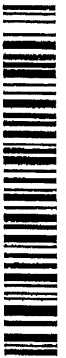
ADVISORY

This electronic image is a reproduction of the original document registered at the Land Titles Office. Please compare the registration number on this coversheet with that on the attached document to ensure that you have received the correct document. Note that Land Titles Staff are not permitted to interpret the contents of this document.

Please contact the Land Titles Office at (780) 422-7874 if the image of the document is not legible.

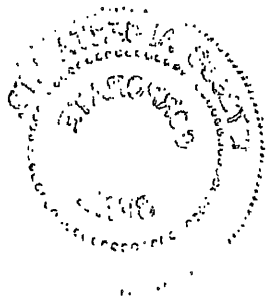
MORTGAGE LAND TITLES ACT (Alberta)

| | | | |
|---|--|--|--|
| (1) Mortgagor(s)/Borrower(s): | | 1872806 ALBERTA LTD. | |
| (2) Address of Mortgagor(s)/Borrower(s): | | Box 603, Provost, Alberta T0B 3S0 | |
| (3) How Property Held – Nature of Tenancy: | | | |
| (4) Mortgagee/Bank: | | BUSINESS DEVELOPMENT BANK OF CANADA incorporated by Special Act of the Parliament of Canada, having its head office at the City of Montreal, in the Province of Quebec with business centres in the Province of Alberta. (sometimes referred to as the "Lender") | |
| (5) Address and Postal Code of Mortgagee: | | Suite 200, 4900 – 50 Street, Red Deer, Alberta T4N 1X7 | |
| (6) Legal Description of Mortgaged Land/Lands: | | | |
| PLAN 0611068 BLOCK 1 LOT 1 EXCEPTING THEREOUT ALL MINES AND MINERALS AREA: 3.227 HECTARES (7.97 ACRES) MORE OR LESS | | | |
| (7) Principal Amount Secured/Amount of Secured Obligations/Principal Sum: | | | |
| ONE MILLION FIVE HUNDRED SIXTY THOUSAND (\$1,560,000.00) DOLLARS | | | |
| (8) Payment Provisions: | | | |
| (a) Due Date | | ON DEMAND | |
| (b) Interest Rate | | (c) Calculation Period | |
| floating base rate of the Lender announced from to time to time plus 10.00% per year | | Monthly | |
| (9) STANDARD FORM MORTGAGE | | | |
| The Mortgagor(s) acknowledges this charge/mortgage of land consists of the terms contained herein and is subject to the terms contained in the Standard Form Mortgage that was filed with the Registrar under the <i>Land Titles Act</i> in Alberta as number 112052406. The Mortgagor(s) acknowledge that he/she understand the nature of the foregoing statement and that the mortgage consists of the terms set out herein and the terms set out in the Standard Form Mortgage referred to herein. | | | |
| (10) ACKNOWLEDGMENTS | | | |
| The Mortgagor(s) acknowledge that: the Mortgagor(s) understands the nature of the statements set out in box 9 hereof, the Mortgagor(s) have been given a copy of the Standard Form Mortgage referred to in box 9 hereof, the Mortgagor(s) are the registered owner(s) of the land being mortgaged, and the Mortgagor(s) mortgage all of the Mortgagor(s) estate and interest in the lands described in box 6 hereof for the purposes of securing the payment of the principal amount, interest and all other amounts secured by this charge/mortgage. | | | |
| (11) ADDITIONAL PROVISIONS: | | | |
| Any additional terms and provisions are contained in Schedule "___" annexed hereto and forming part hereof. | | | |
| (12) EXECUTION | | | |
| The Mortgagor has signed this mortgage on <u>September 10</u> , 2015. | | | |
| 1872806 ALBERTA LTD. PER:  PER:  | | | |



151253086

151253086 REGISTERED 2015 09 29
MORT - MORTGAGE
DOC 2 OF 6 DRP#: C0E0D68 ADR/CALMICHE
LINC/S: 0031646326





**ALBERTA GOVERNMENT SERVICES
LAND TITLES OFFICE**

IMAGE OF DOCUMENT REGISTERED AS:

112052406

ORDER NUMBER: 31579994

ADVISORY

This electronic image is a reproduction of the original document registered at the Land Titles Office. Please compare the registration number on this coversheet with that on the attached document to ensure that you have received the correct document. Note that Land Titles Staff are not permitted to interpret the contents of this document.

Please contact the Land Titles Office at (780) 422-7874 if the image of the document is not legible.

STANDARD MORTGAGE TERMS

The following set of Standard Mortgage Terms are included in every Mortgage – *Land Titles Act* (Alberta) which refers to this set of terms by its filing number as provided in the *Land Titles Act*, R.S.A. 1980, as amended.

1. DEFINITIONS

"you" and "your" refers to the Borrower and "we" and "us" refers to the Lender.

"Borrower" means the person(s) who as Mortgagor(s) granted the Mortgage – *Land Titles Act* (Alberta) that refers to and incorporates these Standard Mortgage Terms.

"Lender" means the Mortgagee mentioned in the Mortgage – *Land Titles Act* (Alberta) that refers to and incorporates these Standard Mortgage Terms.

"Lands" means those lands and premises described in box 6 of the Mortgage – *Land Titles Act* (Alberta) that refers to and includes these Standard Mortgage Terms as well as the expanded definition in paragraph 5 in these Standard Mortgage Terms.

"Principal Sum" is the amount of money identified as the principal amount on the Mortgage – *Land Titles Act* (Alberta).

"Secured Obligations" means the aggregate of all indebtedness and obligations of the Borrower to the Lender as may arise pursuant to Article 2 of this mortgage.

"floating base rate" means the rate of interest declared from time to time and at any time by the Lender from its head office in Montreal, Quebec, as its floating base rate of interest charged on Canadian dollar loans to its commercial customers.

2. DEBT

You promise to pay to the Lender, at such business centre of the Lender as the Lender may direct, the aggregate of:

- (a) the Principal Sum outstanding from time to time;
- (b) all your other present or future debts, liabilities or obligations hereunder, or under any letter of offer, commitment letter, guarantee, or any other agreement, arrangement, document, or negotiable or other instrument, present or future, with or given to the Lender (including those in replacement of, and any amendment of, any of the foregoing, and including all future advances and re-advances, interest, and interest on overdue interest), whether direct or indirect, absolute or contingent, joint or several, matured or not, extended or renewed, wherever and however incurred, of whatsoever nature or kind, whether or not provided for herein, and whether owed by you to the Lender, as principal, guarantor, indemnitor, surety or otherwise;
- (c) interest on the Principal Sum at an annual rate equal to the floating base rate of the Lender announced from time to time plus 10.00% per year, calculated monthly and payable monthly, both after as well as before maturity, default and/or judgment (the "Interest Rate") provided that if you and the Lender have agreed to a lower interest rate as to the Principal Sum or any particular Secured Obligation then that lower interest rate will apply thereto. In the absence of an agreement as to the interest rate applicable to any Secured Obligation the rate shall be the lesser of the Interest Rate and the highest rate of interest applicable to any of the Secured Obligations;

- (d) interest on interest past due at the Interest Rate and calculated in the same manner as interest on the Principal Sum; and
- (e) interest on each protective disbursement (as hereinafter defined) from the day the protective disbursement is made, at the Interest Rate and calculated in the same manner as interest on the Principal Sum;

3. READVANCES

It is our mutual intention that the Lender may wish to make advances and re-advances to you up to an aggregate outstanding balance at any time equal to the Principal Sum. Accordingly, this mortgage shall be considered to be a revolving line of credit mortgage within the meaning of, and shall take priority in accordance with the provisions dealing with same in, the *Land Titles Act* of Alberta. This mortgage is and shall be a continuing security to the Lender for the repayment of all present and future amounts owing in respect of the Secured Obligations. Any portion of the Principal Sum may be advanced or re-advanced by the Lender in one or more advances at any future date or dates and the amount of such advances and re-advances when so made shall be secured by this mortgage and shall be repayable with interest at the Interest Rate. This mortgage shall be deemed to be taken as security for the ultimate balance of the Secured Obligations. This mortgage shall not be void if the Secured Obligations have been repaid in full if such ability to borrow continues to be available to you. This mortgage shall be void only when the Secured Obligations have been repaid in full and the Lender gives written notice to you that you will not be allowed to borrow further monies and there has been performance of all covenants, provisos and conditions herein contained. Notwithstanding that this mortgage may be deemed to be a revolving line of credit mortgage, there shall be no right of prepayment except as provided elsewhere in this mortgage.

4. SECURITY

For the better securing to the Lender the repayment in the manner aforesaid of the Secured Obligations and for the performance of your other obligations under this agreement, you hereby mortgage and charge to the Lender all of your estate and interest in the Lands. This mortgage is granted in addition to, and not in substitution for, any other security held to secure payment of the Secured Obligations.

5. FIXTURES

In this mortgage the expression "the Lands" includes all fixtures and improvements, appurtenances, leasehold improvements and rights of way. All erections, buildings or improvements that now are or that shall hereafter be put or built upon the Lands shall be fixtures and be a part of the realty and form a part of this security even though not attached to the Lands otherwise than by their own weight and shall not be removed during the continuance of this mortgage. Fixtures shall include without limitation, all trade fixtures, all heating, ventilating, air conditioning, plumbing and electrical systems and equipment comprised in the Lands, all safes, cooking, refrigeration and washing equipment on or in the Lands, all telecommunication and telephone equipment serving the Lands, and all maintenance equipment used in connection with the Lands.

6. MORTGAGE OF LEASE

If your interest in the Lands is as a lessee, sub-lessee, licensee or sub-licensee (collectively a "lessee") of the whole or any portion of the Lands pursuant to a lease:

- (a) you hereby demise, sub-lease and mortgage your interest and the lease and any renewals, extensions or replacements of the lease to the Lender, by way of a sub-lease, except for the last day of the term of the lease (the "reversion") which is excepted out of the charge created by this mortgage but which shall be deemed to be held by you in trust for the Lender to be assigned or disposed of as the Lender or anyone claiming through the Lender may direct, and the Lender shall have power on any realization to appoint a new person as Trustee of the reversion;
- (b) if the lease cannot be effectively charged without consent, any charge intended to be created by this mortgage upon your interest in the lease shall not become effective until, but shall become effective immediately when, all consents necessary for the validity and effectiveness of such charge have been obtained or waived by all appropriate persons;

- (c) you represent to the Lender that the lease is valid and in good standing, in full force and effect and unsurrendered, you have the right to mortgage your interest and the lease to the Lender, all rents or other amounts payable under the lease have been paid and all other obligations under the lease, whether yours or the landlords, have been performed or complied with;
- (d) you will promptly perform and observe all of the terms, covenants and conditions required to be performed and observed by you under the lease, including payment of rent and the renewing of the lease;
- (e) you shall take no action or be guilty of any default which shall or may cause the lease to be terminated or forfeited, or, without the Lender's prior written consent, surrender or give any notice which would have the effect of terminating, or permitting the termination of, the lease;
- (f) you will promptly notify the Lender in writing of any default or of any condition that with or without the passage of time or the giving of any notice might result in a default under, or the termination of, the lease, and you will promptly cause a copy of each notice you receive under the lease to be delivered to the Lender;
- (g) in the event that you, at any time or from time to time, extend the size of the leasehold land herein or increases the size of your equity in the leasehold land or become registered as owner or entitled to become registered as owner of the full fee simple then the mortgage of the leasehold land shall become enlarged to be a mortgage of the increased size of the mortgaged premises or of the increased size of the equity or of the full fee simple, as the case may be;
- (h) you will not during the continuance of this mortgage, without the Lender's prior written consent, modify, alter or suffer or permit any modification or alteration of the lease and any such altered or modified lease shall be charged by this mortgage;
- (i) you will promptly obtain from the lessor under the lease and deliver to the Lender, a certificate stating that the lease is in full force and effect, is unmodified or modified as the case may be, that no notice of termination thereon has been served on you thereunder, stating the date to which the rent has been paid and stating whether or not there are any defaults thereunder and specifying the nature of such defaults, if any;
- (j) you shall not consent to the subordination of the lease to any mortgage of the interest of the lessor (or leasehold interest of the sub-lessor) thereof in the Lands; and
- (k) you will at the proper time and times take such proceedings, and make, do and execute such acts, deeds, matters and things as may be requisite for obtaining a renewal of the lease.

7. MORTGAGE OF CONDOMINIUM UNIT

If the Lands include a condominium unit:

- (a) you shall comply with, observe and perform all provisions of the applicable condominium legislation, its regulations and the by-laws, rules and regulations of the condominium corporation (the "Condo Corporation") of which you are a member by virtue of your ownership of the condominium unit hereby charged;
- (b) you shall pay, on or before the due date thereof, each and every fee, assessment, contribution, expense, fine or levy assessed by or on behalf of the Condo Corporation in respect of the Lands;
- (c) you will forward to the Lender within 10 days of our demand a certificate in any form required by the applicable condominium legislation certifying that no monies are owing by you to the Condo Corporation;

- (d) you agree that nothing done by the Lender in protecting its interests in the Lands, including without limiting the generality of the foregoing the Lender exercising your right to vote as provided in the applicable condominium legislation generally, shall render the Lender a mortgagee in possession;
- (e) if for any reason whatsoever you vote at any meeting of the Condo Corporation, you shall, if directed by the Lender, vote in such manner as the Lender directs with respect to each and every matter to be voted;
- (f) at least five days prior to each general meeting of the Condo Corporation, you shall deliver to the Lender written notice of the meeting specifying the place, date, hour and purpose of the meeting;
- (g) you hereby authorize any of the Lender's officers to apply at any time and from time to time during the term of this mortgage to the Condo Corporation to deliver to the Lender copies of all notices, financial statements and other documents given or available to you from the Condo Corporation; and
- (h) in the event of any occurrence or event whereby the Lender, acting reasonably, has determined that any act or the operation of the Condo Corporation is, has or will diminish the value of Lands as security for the Secured Obligations, the Lender shall be at liberty to demand immediate repayment of the Principal Sum.

8. MORTGAGE OF VENDOR'S INTEREST IN RIGHT TO PURCHASE

If your interest in the Lands includes the full fee simple subject to a right to purchase (in this clause called the "Right to Purchase"):

- (a) you transfer and assign to the Lender absolutely all of your right, title and interest in and to the Right to Purchase and the monies now and hereafter owing thereunder, together with the full benefit of all powers and all covenants and provisions in the Right to Purchase, and full power and authority to use your name for enforcing the performance of the covenants and other matters and things contained in the Right to Purchase;
- (b) you shall not accept any prepayment of the Right to Purchase other than in accordance with the terms thereof; provided that, if you are obliged to accept a prepayment, the amount thereof shall be paid to us as a prepayment on account of the Secured Obligations unless we waive such prepayment; and
- (c) we shall be under no obligation to commence action or take any proceeding or step to enforce the Right to Purchase and shall not be liable for any loss arising from any omission by us to take any such action, proceeding or step.

9. COVENANTS

You covenant with the Lender that:

- (a) you will keep all the Lands in good repair and shall not allow waste in respect of the Lands, not to allow the Lands to be or remain vacant and to immediately notify the Lender of any damage to the Lands;
- (b) you have good title in fee simple to the Lands, other than those lands that are expressed herein to be held in leasehold, and the right to convey the Lands as hereby conveyed;
- (c) you have done no act to encumber the Lands, except as set out herein;
- (d) you will execute or provide such further assurances as the Lender may reasonably require and shall do so at your expense;

- (e) you shall discharge any debt or obligation that may be the subject of a demand upon the Lender or an agent of the Lender in the event that the Lender enforces one of the remedies;
- (f) you shall pay all rents, taxes, rates, levies, assessments and impositions, government, municipal or otherwise which are now or may hereafter be levied, charged, assessed, imposed or payable against or in respect of the Lands, as and when due and produce to the Lender the receipts for those payments;
- (g) you will pay and discharge all claims and obligations to labourers, mechanics and material men and others and all other claims, debts and obligations which by the law of Canada or any Province thereof have or might have priority over the security hereby created, and produce to the Lender the receipts;
- (h) you, if a corporation, have taken all necessary corporate action to authorize the execution of this mortgage and to bind yourself to each of the terms of this mortgage and you shall maintain your corporate existence;
- (i) on default the Lender may enter and have quiet enjoyment of the Lands;
- (j) you shall do all acts necessary to give the Lender access from time to time to the Lands;
- (k) you shall carry on, in a proper business-like manner, the business or businesses you have represented to the Lender as being your present or prospective businesses, and shall maintain in good standing all necessary licenses, permits, approvals and consents, and shall comply with all laws, regulations and ordinances applicable to your business;
- (l) you will not change, or agree to any change of, the present use of the Lands without the Lender's prior express written consent; and.
- (m) you will not permit any of the following activities to occur on the Lands:
 - businesses that are sexually exploitive or that are inconsistent with generally accepted community standard of conduct and propriety, including those that feature sexually explicit entertainment, products or services;
 - businesses trading with countries that are proscribed by the Federal Government;
 - businesses which operate as a separate and sole entity nightclubs, bars, lounges, cabarets, casinos, discotheques and similar operations; or
 - businesses that are engaged in or associated with illegal activities.

You also agree that if your business or the business of a tenant of yours fails to comply with this paragraph at any time that will constitute an Event of Default. Any leases of the Lands you may, as landlord, enter into should have a clause to this effect.

10. EXPROPRIATION

If an early payout of the Secured Obligations is caused by any act of expropriation, including but not limited to expropriation proceedings or sale of the Land under the *Builders' Lien Act* of Alberta:

- (a) you hereby assign to the Lender such portion of any proceeds which becomes due and payable to you by an expropriating authority upon such expropriation equal to the difference, if any, between all Secured Obligations at the date of the expropriation, and the compensation payable or paid to the Lender for the expropriation of its interest in the Lands by the expropriating authority;

- (b) you shall forward to the Lender copies of any documentation relating to an expropriation or a proposed expropriation of the Land or any portion thereof forthwith upon receipt of the said documentation by it;
- (c) notwithstanding anything to the contrary contained herein, if you or the Lender receives notice of intention to expropriate in relation to the Lands, or any portion thereof, at the option of the Lender, the whole of the Secured Obligations (including principal, interest and compensation payments) under this mortgage at the date of the expropriation, shall immediately become due and payable in like manner and to all intents and purposes as if the time for payment of the said balance had fully come and expired; and
- (d) service of a copy of this mortgage on the expropriating authority shall be sufficient authority for the expropriating authority to deliver proceeds to the Lender in accordance with the terms of the assignment contained herein.

11. ALTERATIONS

Except for any construction contemplated by this mortgage, you shall not make or permit to be made any additions or alterations to the Lands without the written consent of the Lender being first obtained; and you shall not use the Lands or permit the Lands to be used, without the Lender's written consent, for a purpose other than that disclosed to the Lender in the application for this mortgage. If, with the Lender's written consent, you commence work on the Lands, the following will apply:

- (a) You will carry on diligently to completion the construction of the development, and will complete such construction in compliance with the requirements of all municipal and other governmental authorities, laws, by-laws or regulations; and, when so required by the Lender, supply the Lender with confirmation from any such municipal or governmental authority of such compliance and confirmation from an independent engineer or architect as may be designated by the Lender that construction is being completed in accordance with such requirements; it being understood and agreed that the Lender, by reason of its approval of any Plans and Specifications shall not be liable to you or any third party for the safety, adequacy, soundness or sufficiency of the development or the Plans and Specifications;
- (b) If any part of the development remains unfinished and without any work being done for a period of ten consecutive days, the Lender may enter the Lands and do all work necessary to protect such work from deterioration and to complete the construction in such manner as the Lender may see fit, and any monies expended by the Lender pursuant to this paragraph shall constitute part of the Secured Obligations;
- (c) the Lender shall be entitled, at your expense, to inspect all aspects of the construction and make tests of materials and you will not cover any portion of the construction work requiring inspection by the Lender until the Lender has inspected the same and any defects in the construction or variation in construction as reported to the Lender by its consultants shall be promptly corrected by you to the satisfaction of the Lender;
- (d) You will pay, or cause to be paid as soon as the same are due, all claims and demands of contractors and materialmen and all wages, salaries, holiday pay, Workers' Compensation assessments or other charges of any nature or kind (hereinafter called "Charges") which could in any circumstances constitute a lien or charge having priority over this mortgage or any future advance on this mortgage and you will from time to time, on demand, provide the Lender with such books, payrolls or other records, receipts, certificates and declarations as the Lender may deem necessary to satisfy itself that such Charges have been paid as soon as the same are due; and
- (e) the Lender shall not be obliged to hold back advances or any portion of advances to provide the lien fund or other protection to you under the *Bulkers Lien Act* of Alberta; provided that if the Lender makes a holdback in a manner similar to the way the said Act provides for an owner to make holdbacks, then notwithstanding such holdbacks by the Lender, such holdbacks shall not constitute the lien fund under the said Act and the Lender shall not be a mortgagee authorized by the owner to disburse money secured by a mortgage as referred to in the said Act.



12. INSURANCE

While this mortgage is in effect you will:

- (a) maintain or cause to be maintained insurance on the Lands with a reputable insurer, of kinds, for amounts and payable to such person or persons, all as the Lender may require;
- (b) cause the insurance policy or policies required by this mortgage to name the Lender as a loss payee as the Lender's interest may appear in respect of the Lands, include a standard mortgage clause as approved by the Insurance Bureau of Canada, and include a 30-day notice by the insurer to the Lender of any material change to the amounts or coverage of the policy or of its cancellation;
- (c) pay all premiums respecting such insurance, and deliver all policies to the Lender if required;
- (d) upon request, immediately assign, transfer and deliver over to the Lender each and every policy or policies of insurance and all receipts pertaining to same;
- (e) on the happening of any loss or damage to the Lands, immediately notify and furnish to the Lender, at your expense, all necessary proofs and do all necessary acts to enable the Lender to obtain payment of any insurance monies otherwise payable to you, but nothing shall limit the Lender's right to submit to the insurer a proof of loss on its own behalf; and
- (f) authorize and direct the insurer under any required policy of insurance to include the Lender as loss payee on any policy of insurance and on any cheque or draft which may be issued respecting a claim settlement under and by virtue of such insurance, and the production by us to any insurer of a certified copy of this mortgage shall be its complete authority for so doing.

If you fail to maintain insurance as required, the Lender may, but shall not be obliged to, maintain or effect such insurance coverage, or so much insurance coverage as the Lender considers necessary for the protection of the Lender's interest. If proceeds of any required insurance become payable, the Lender may, in its absolute discretion, hold such funds as security for the Secured Obligations, apply the proceeds to the Secured Obligations as the Lender sees fit or release any insurance proceeds to you to repair, replace or rebuild, but any release of insurance proceeds to you shall not operate as a payment on account of the Secured Obligations or in any way affect this mortgage or the charges created hereby. To ensure that we may apply such insurance monies in the manner herein contemplated, you also assign and release to us all of your rights to receive the insurance monies and expressly waive all your rights and benefits under the *Insurance Act* and the *Fire Prevention (Metropolis) Act 1774* each as amended or replaced from time to time.

13. ENVIRONMENTAL MATTERS

13.1 Definitions

For the purposes of this Article 13:

- (a) "Environmental/Hazardous Materials Claims" means enforcement or other governmental or regulatory actions, agreements or orders threatened, instituted or completed pursuant to any Environmental/Hazardous Materials Laws, together with claims made or threatened by any third party against you or in respect of the Lands relating to the environment, health, safety, any Hazardous Materials or any Environmental/Hazardous Materials Laws;
- (b) "Environmental/Hazardous Materials Laws" means laws, by-laws, rules, ordinances, regulations, notices, approvals, orders, licenses, permits, standards, guidelines and policies from time to time of an Environmental Authority relating to the environment, health, safety or any Hazardous Materials;
- (c) "Hazardous Materials" means wastes, materials and substances the storage, manufacture, disposal, treatment, generation, use or transport of which is prohibited, controlled or licensed under any Environmental/Hazardous Materials Laws, or the remediation or release of which into

the environment is likely, immediately or in the future, to cause harm or degradation to any of the Lands or the environment, including contaminants, pollutants, corrosive substances, toxic substances, special wastes, substances deleterious to fish or wildlife, explosives, radioactive materials, asbestos, urea formaldehyde, and compounds known as chlorobiphenyls;

- (d) "Environmental Authority" means any level of government or other authorized agency relating to the environment, health, safety or any Hazardous Materials with appropriate jurisdiction over the Lands or your activities or both, as the case may be; and
- (e) "Environmental Risks" means any risk of liability, culpability or obligation of remediation under Environmental/Hazardous Materials Laws applicable to either or both the Lands or yourself.

13.2 Environmental Representations

You represent, warrant, covenant and promise to the Lender that:

- (a) the Lands are free of any and all Environmental Risks and you are not aware of any Environmental Risks which have not been disclosed to the Lender and approved by the Lender in writing;
- (b) the Lands do not contain any Hazardous Materials whatsoever, and no Hazardous Materials have ever been released into the environment as a result of any of the activities conducted on the Lands;
- (c) you possess and will maintain all environmental licences, permits and other approvals from Environmental Authority as may be necessary for the continued conduct of your business. All operations on the Lands are and will be kept in compliance with all such environmental licences, permits and other approvals, and Environmental/Hazardous Materials Laws and, all future usage of the Lands will be limited to environmentally acceptable activities in compliance with all Environmental/Hazardous Materials Laws, it being agreed without limiting the generality of the above, you will not install in, on or under the Lands storage tanks for any Hazardous Materials without the Lender's prior written consent and only upon full compliance with the Lender's requirements and the standards and requirements of all boards and governmental authorities having jurisdiction over the Lands and your activities and assets;
- (d) you will advise the Lender immediately upon becoming aware of any Environmental Risks;
- (e) there are no claims, actions, investigations, liens, prosecutions, notices, work orders, control orders, stop orders or directives, written or oral ("Orders") of any kind issued or pending by any Environmental Authority with respect to any of your activities, or any of your property, past or present, as they relate to any and all Environmental/Hazardous Materials Laws; and there are no circumstances, current or contemplated, which might give rise to such Orders and you will provide the Lender with copies of all communications from or to any person relating to Environmental/Hazardous Materials Laws and any Environmental/Hazardous Materials Claims in connection with the Lands that become known to you, and all environmental studies or assessments prepared for you, and you consent to the Lender contacting and making enquiries of environmental officials or assessors;
- (f) you have an environmental emergency response plan and all your officers and employees are familiar with that plan and their duties under it. You will ensure your staff is trained as required for such purpose and for all purposes relating to the use, handling and storage of Hazardous Materials; and
- (g) you will from time to time and at any time required by the Lender, provide evidence satisfactory to the Lender that you and the Lands are compliant with all Environmental/Hazardous Materials Laws, and, if the Lender considers it necessary, cause such inspections, reports and audits and provide the results thereof to the Lender as it may require. You shall pay the entire cost of any such inspections, reports and audits of the Lands, and such inspections, reports and audits shall be performed by a duly licensed engineer acceptable to the Lender. The scope of any environmental audit shall be at the Lender's sole discretion, and the auditor performing or



conducting the environmental audit shall be granted full access to the Lands to perform or conduct any testing or investigation deemed necessary by the auditor in the auditor's sole discretion.

13.3 Environmental Repair

You will, at your sole cost and expense, comply, and cause all of your tenants, agents and invitees to comply, with all Environmental/Hazardous Materials Laws and with all permits and licenses issued by any Environmental Authority with respect to the storage, discharge and removal of Hazardous Materials, and you shall pay, immediately when due, the cost of removal of any such Hazardous Materials. You shall pay the cost of any improvements necessary to deal with such Hazardous Materials and shall keep the Lands free and clear of any lien imposed pursuant to any law including all Environmental/Hazardous Materials Laws. If you fail to do so, the Lender may, after notice to you and the expiration of the earlier of:

- (a) any applicable cure period under this mortgage charge; or
- (b) the cure period under the applicable law, rule, regulation or order;

without any responsibility or liability in connection therewith, enter upon the Lands and do the work required and the cost thereof will be added to the Secured Obligations and become immediately due and payable, or alternatively at the option of the Lender, may declare this mortgage to be in default.

13.4 Environmental Assessments and Audits

It is expressly understood that the Lender has no responsibility to monitor your compliance or to take any action in the event of non-compliance. You will provide to the Lender copies of any and all environmental reports or studies in respect of the Lands that you receive or possess from time to time.

13.5 Exclusion of Liability

No action taken by the Lender in doing remedial work or repairs or in conducting assessments, audits, appraisals or inspections as provided in this Article shall constitute the Lender as a mortgagee in possession and the Lender by taking any such action shall not be considered to have care, management or control of the Lands; it being expressly understood that you have complete responsibility to ensure compliance with all Environmental/Hazardous Materials Laws and the Lender's right to monitor such compliance shall not be construed as a responsibility to ensure such compliance.

13.6 Indemnity

You hereby indemnify the Lender, its officers, directors, employees, agents, shareholders and members, and agrees to hold each of them harmless, from and against any and all losses, liabilities, damages, costs, demands, expenses and claims of any and every kind whatsoever relating to any breach or non-compliance with Environmental/Hazardous Materials Laws by yourself or by your directors, officers, servants, agents, tenants or invitees, or relating to any Hazardous Materials handled, placed, held, located or disposed of on or in the Lands or related to any claims or proceedings (whether by civil action or related to any enforcement or recovery action under statute or regulation) for injury or damage to person or property from or relating directly or indirectly to the use, presence, handling, disposal, escape or release of any Hazardous Materials on or from the Lands. Such indemnity includes, without limitation, indemnity against:

- (a) all costs (including legal expenses on a solicitor and his own client basis) of defending, counterclaiming and/or claiming against you or any third parties in respect of any such action or matter;
- (b) all costs of every kind and nature whatsoever incurred by the Lender directly in order, either, to comply with Environmental/Hazardous Materials Laws or to remediate the Lands to comply with Environmental/Hazardous Materials Laws; and
- (c) any and all costs, liabilities, claims or damages arising out of a settlement of any action entered into by the Lender with or without your consent, which at any time or from time to time may be paid, incurred or asserted against any of the parties indemnified hereby for, with respect to, or as a

direct or indirect result of the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release from, the Lands or into or upon any land, the atmosphere, or any water course, body of water or welland, of any Hazardous Materials.

This Indemnity shall survive foreclosure or judicial sale (including the process of judicial sale known in Alberta as a "Rice Order") of the Lands and any other exercise of the Lender's rights hereunder or under any security collateral hereto.

14. POWERS AND PROTECTIVE DISBURSEMENTS

the Lender and any of its agents, may at such time and from time to time, as the Lender deems necessary and without the concurrence of any person, enter upon any part of the Lands and make arrangements for completing the construction, repairing or putting in of improvements, or for inspecting, appraising, taking care of, leasing, collecting the rents of, and generally managing any or all of the Lands, as the Lender may deem expedient, and the Lender may, without notifying you, purchase any material or service and make any payments to preserve, protect or enhance the Lands or to remedy any default by you in respect of any promise or covenant contained in this mortgage and, without restricting the generality of the foregoing, the Lender may:

- (a) retire fees, expenses and borrowings of a receiver;
- (b) acquire insurance against direct damage, liability to third parties or any other risk associated with the Lands on such terms and at such limits as the Lender may find advisable;
- (c) discharge any lien, mortgage or encumbrance which, in the opinion of the Lender, has priority over this mortgage;
- (d) improve the title of the Lender or of any purchaser of the Lands who purchases them through a sale having the effect of foreclosing your interest in the Lands or who purchases them from the Lender after the your interest in the Lands has been foreclosed;
- (e) discharge any debt or obligation which the Lender may find should be discharged in order to better market, sell or protect the Lands;
- (f) cause the Lands to be inspected, investigated (including environmental audits), appraised, surveyed or subdivided;
- (g) cause your books and records to be audited and the financial health of your business to be investigated;
- (h) retire the fees, commissions or expenses of any agent retained by the Lender to market the Lands;
- (i) retire all costs and expenses, including legal fees on a solicitor and his own client basis, in relation to the preparation, execution and delivery of this mortgage and any amendment or discharge of it, in relation to the collection of any amount due hereunder and in relation to the enforcement of any remedy including the actual fees and expenses of solicitors on a solicitor and his own client basis who act on behalf of the Lender in proceedings for the appointment of a receiver, foreclosure, foreclosure and sale, judicial sale, sale by power of sale or possession of the Lands;
- (j) pay the fees and expenses of your trustee in Bankruptcy, should the Lender determine to make itself liable for such;
- (k) retire all costs and expenses including fees on a solicitor and his own client basis in respect of any suit concerning this mortgage, any lands that may be mortgaged hereunder, the Lender's title to the Lands, or the priority of the Lender's interest in the Lands;
- (l) cause any environmental rehabilitation, investigation, removal or repair necessary to protect, preserve or remediate the Lands; and



- (m) contact and make inquiries of the your lessors/lessees, as well as environmental officials, assessors, municipal authorities and any taxing body.

A purchase or payment mentioned in this clause is referred to in this mortgage as a "protective disbursement". The Lender is not obliged to make any protective disbursement. All protective disbursements, including solicitor and his own client fees and expenses upon foreclosure and sale, are secured by this mortgage and are payable out of the proceeds of the exercise of any remedy notwithstanding that the Lender's liability for the protective disbursement arises after or is discharged after a sale of the mortgaged property.

15. EVENTS OF DEFAULT

The occurrence of any of the following events will constitute an Event of Default:

- (a) if you fail, or threaten to fail, to observe or perform any covenant, agreement, condition or obligation in the Lender's favour, whether or not herein contained, including your failure to pay or perform any of the Secured Obligations when due;
- (b) if any representation, warranty or statement made to the Lender either by yourself or on your behalf and whether or not contained herein or elsewhere, is not or ceases to be true;
- (c) if you, or any other person (the "obligant") liable, in respect of any of the Secured Obligations, ceases or threatens to cease to carry on business, as the case may be, or any material part thereof or to sell all or substantially all of your or the obligant's assets, or becomes insolvent or files a proposal, a notice of intention to file a proposal, or an assignment for the benefit of creditors under applicable bankruptcy or similar legislation, or if a petition is filed, an order is made, a resolution is passed, or any other step is taken for your, or the obligant's, bankruptcy, liquidation, dissolution, winding-up or reorganization or for any arrangement or composition of debts or any protection from your or the obligant's creditors;
- (d) if you are in default under any other charge of the Lands or under any indebtedness other than Secured Obligations, or if you permit the acceleration of any indebtedness (other than Secured Obligations) that you may owe to any creditor other than the Lender;
- (e) if a Receiver, trustee or similar official of any of your property is appointed;
- (f) if you are a corporation and any member or shareholder commences an action against you or gives you notice of dissent in accordance with the provisions of any applicable legislation;
- (g) the holder of any other charge on, or claim against, any of the Lands does anything to enforce or realize on such charge or claim, or any execution, sequestration, or other process becomes enforceable against you, or if a distress, seizure or similar process is levied upon or exercised against any of the Lands;
- (h) if the lessor under any lease to you of any of the Lands takes any step to or threatens to terminate such or otherwise exercise any of its remedies under such lease as a result of any default or alleged default on your part under such lease;
- (i) if any of the Lands are destroyed, substantially damaged, expropriated, or designated or considered for designation as a contaminated site;
- (j) if any permit, licence, certification, quota or order granted to you or held by you is cancelled, reduced or revoked, or any order against you is enforced, with the effect of preventing your business from being carried on for more than five days or materially adversely changing the condition (financial or otherwise) of your business;
- (k) if you sell, transfer, convey, lease, assign, release, surrender or otherwise dispose of or part with possession of any of the Lands or agree to do so;

- (l) If you are in arrears of payment to any taxing authority;
- (m) if you cause or allow hazardous materials to be brought upon the Lands or incorporated into any of your assets without the Lender's prior consent, or if you cause, permit or fail to remedy any environmental contamination upon, in or under the Lands or fails to comply with any abatement or remediation order given by a responsible authority;
- (n) If you use any of the monies advanced hereunder for any purpose other than as declared to and agreed upon by the Lender;
- (o) If the Lender deems itself insecure or believes that the assets secured hereby are in danger of loss, damage or misuse; or
- (p) if there is any Event of Default or deemed Event of Default pursuant to this mortgage.

Upon the occurrence of an Event of Default, at the option of the Lender, without notice to you, this mortgage and the Lender's other security, if any, shall immediately become enforceable and all of the Secured Obligations remaining unpaid shall become due and payable. If, in respect of a default, the Lender chooses not to exercise any of the remedies given to it or waives its right to call in the balance of the loan, such does not constitute a waiver of the Lender's rights under this clause in respect of any other default.

16. NOTICE RESPECTING DEFAULT AND ENFORCEMENT

The Lender may exercise any remedy or remedies immediately upon the occurrence of an Event of Default, without making a demand for payment or giving time for payment or notifying you of the Lender's intention to exercise the remedy or remedies. If the Lender chooses to notify you of such an intention or to demand payment, it shall not thereby be taken to have waived its rights under this clause or to have subjected itself to a duty to give reasonable notice to you respecting the Lender's intention or to you reasonable time for payment.

17. ENFORCEMENT

17.1 Enforcement. Upon the occurrence of an Event of Default the Lender may declare any or all of the Secured Obligations immediately due and payable, and the Lender's security will immediately become enforceable. To enforce and realize on the charges created hereby we may take (or refrain from taking) any action permitted by law or in equity as we may deem expedient, including any of the following:

- (a) enter upon, take possession of, occupy, use, preserve and protect the Lands, with power to exclude you, your agents and employees therefrom and may inspect, use, operate, manage, lease and control the Lands and conduct the business thereof;
- (b) maintain, repair, replace and complete any development of the Lands in accordance with existing plans or otherwise as the Lender, in its or our absolute discretion, may determine;
- (c) collect all assigned rents and other assets the Lender holds as security for the Secured Obligations;
- (d) sell, lease or otherwise dispose of all or part of the Lands and other assets of yours over which the Lender holds security, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained and on such terms as to credit and with such conditions as the Lender may consider reasonable, provided that if any sale, lease or other disposition is on credit you will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies are actually received. No purchaser shall be bound to inquire into the legality or propriety of any such sale or be affected by notice of any irregularity or impropriety. The Lender may take sale proceedings hereunder even if other mortgage proceedings have been taken or are pending;
- (e) exercise any or all of your rights and remedies in respect of the Lands;



- (f) as your agent, appoint by Instrument a Receiver of the Lands and of all your properties, assets, effects and undertakings related to or arising out of the Lands with or without bond as the Lender may determine, and in the Lender's absolute discretion and from time to time, remove any Receiver so appointed and appoint another in its stead, but the Lender shall be under no liability for the remuneration, acts or omissions of the Receiver, its employees and agents;
- (g) exercise any other rights and remedies under this mortgage; or,
- (h) exercise any other right and power a Receiver could exercise.

the Lender shall not be liable for any debts the Lender contracts during enforcement of this mortgage, for damages to persons or property, salaries or non-fulfillment of contracts during any period when the Lender takes any action referred to above, for any misconduct, negligence or misfeasance by us, or any employee or agent of ours, and neither the provisions of this mortgage nor the exercise of any of the powers provided in this mortgage shall render us a mortgagee in possession, and we shall not be accountable except for the monies we actually receive. You waive any provision of law which may be waived which imposes any greater obligations on us than described above.

17.2 Receiver. A Receiver appointed pursuant to this mortgage shall be your agent and not ours, and, to the extent permitted by law or its appointment, shall, in our discretion, have all of our rights and powers (including those under this mortgage), including the power to:

- (a) take possession of and enter upon the Lands;
- (b) sell or lease or concur in selling or leasing of the Lands;
- (c) make any arrangement or compromise which it shall think expedient;
- (d) carry on, or concur in the carrying on of, any development then in progress or otherwise contemplated by you with respect to the Lands or your business relating to the Lands and for such purposes from time to time to borrow money either secured or unsecured, and if secured by security on the whole or any part of the Lands, such security may rank before or pari passu with or behind this mortgage; and
- (e) commence, continue or defend proceedings in the name of the Receiver or in your name, which the Receiver considers necessary or advisable for the proper protection of the whole or any portion of the Lands or the enforcement of this mortgage.

We may from time to time fix the remuneration of every such Receiver and direct the payment thereof out of the proceeds of the receivership. The rights and powers conferred by this paragraph are in addition and not in substitution for any right we may from time to time possess.

17.3 Application of Proceeds. Any money from time to time received by the Receiver shall, subject to the claims of creditors, if any, which are secured by any Charges ranking in priority to this mortgage, be paid, subject to our direction otherwise, by it **Firstly**, in payment of all costs, charges and expenses of and incidental to the appointment of the Receiver and the exercise by it of all or any of the powers aforesaid including the reasonable remuneration of the Receiver and all amounts properly payable by it, **Secondly**, in or towards payment to us of the amounts comprised in the Secured Obligation in such manner and order as we shall, in our absolute discretion, deem advisable, and **Thirdly**, any surplus shall be paid to you provided that in the event any party claims a charge against all or a portion of the surplus, the Receiver shall make such disposition of all or any portion of the surplus as the Receiver deems appropriate in the circumstances.

17.4 Appointment of Attorney. You irrevocably appoint us or the Receiver, as the case may be, with full power of substitution, as your attorney for and in your name to do everything necessary or incidental to the exercise of any or all of the powers conferred on us or the Receiver, as the case may be, pursuant to this mortgage.

18. LIABILITY RESPECTING ENFORCEMENT OF SECURITY

Once the Lender has determined to exercise a remedy or remedies, it may deal with and dispose of the Lands as the Lender may see fit and neither you nor those claiming by, through from or under you shall maintain any action, advance any claim or rely on any set-off by reason of the order of enforcement of remedies against parts of the Lands, the abandonment or discharge of the Lands or part of them, the Lender's failure to maintain or insure the Lands, the Lender's failure to secure an adequate price for the Lands or anything relating to the manner in which the Lands are dealt with or disposed of (in this clause "the Lender" includes the receiver).

Further, the Lender may, in its sole discretion, realize on various securities (including this mortgage) and any parts thereof in any order that the Lender considers advisable and no realization or exercise by the Lender of any power or right under this mortgage or other security shall in any way prejudice any further realization or exercise until all Secured Obligations are satisfied. All rights and remedies available to the Lender are cumulative and not restrictive of remedies at law and in equity and by statute.

19. RELEASES

You are and will not be released from any your obligations to pay the Secured Obligations nor is any security held to secure the Secured Obligations released by reason of the Lender releasing any person who may be obligated to pay the Secured Obligations or any part of them, or by reason of the Lender releasing any security held to secure payment of the Secured Obligations. The Lender is only accountable for money actually received by it in consideration of the release of any person or security.

20. INDULGENCES

The Lender may grant extensions of time and other indulgences, take and give up security, accept compositions, compromise, make settlements, grant releases and discharges, refrain from registering or maintaining registration of charges, and otherwise deal with you, any other obligant, your other creditors, sureties and other persons and with the Lands and other security, all as the Lender sees fit in its absolute discretion and without prejudice to your liability or the Lender's rights or remedies. You agree that you will not be released nor your liability in any way reduced because the Lender has done, not done, or concurred in doing or not doing, anything whereby a surety would or might be released in whole or in part.

21. ASSIGNS

This mortgage is binding upon you and your successors, assigns, heirs, executors and administrators and is granted to and for the benefit of the Lender, its successors and its assigns.

22. BORROWER AUTHORITY

You hereby represent and warrant to the Lender that you are duly and appropriately authorized and empowered to grant this mortgage, incur the Secured Obligations and observe, adhere to and perform (as the case may be) all of your obligations, promises and covenants under this mortgage without either breach or default under any other obligation (whether imposed by law or by contract) or promise made by you or any further consent or approval of any person, party, authority or regulator; and, further, that this mortgage constitutes a valid and binding obligation on your part to the Lender.

23. GENDER AND NUMBER

The use in this mortgage of the neuter gender includes the masculine and the feminine; the use of the plural includes the singular; the use of the singular includes the plural.

24. FURTHER ASSURANCES

You shall execute and deliver to the Lender upon request any further or additional documentation which the Lender in its sole discretion deems necessary to give full effect to this mortgage and each and every provision contained in this mortgage.

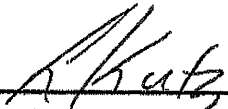




112052406 REGISTERED 2011 02 24
MORS - STANDARD FORM MORTGAGE
DOC 1 OF 1 DRR#: E00D2FD ADR/DALBONIG
NO LAND AFFECTED



THIS IS EXHIBIT "16"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

**ALBERTA GOVERNMENT SERVICES
LAND TITLES OFFICE**

IMAGE OF DOCUMENT REGISTERED AS:

151253087

ORDER NUMBER: 50077574

ADVISORY

This electronic image is a reproduction of the original document registered at the Land Titles Office. Please compare the registration number on this coversheet with that on the attached document to ensure that you have received the correct document. Note that Land Titles Staff are not permitted to interpret the contents of this document.

Please contact the Land Titles Office at (780) 422-7874 if the image of the document is not legible.

CAVEAT FORBIDDING REGISTRATION

TO: THE REGISTRAR OF THE SOUTH ALBERTA LAND REGISTRATION DISTRICT

TAKE NOTICE that **BUSINESS DEVELOPMENT BANK OF CANADA**, of Suite 200, 4900 – 50 Street, Red Deer, Alberta T4N 1X7, in the City of Red Deer, in the Province of Alberta, claims an interest under and pursuant to a General Assignment of Rents in writing dated the 10 day of ~~June~~ ^{September}, 2015 and made between **1872806 ALBERTA LTD.** as Assignor and the Caveator herein as Assignee, in the lands described as:

PLAN 0611068
BLOCK 1
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 3.227 HECTARES (7.97 ACRES) MORE OR LESS

which stands in the register in the name of 1872806 ALBERTA LTD. and it forbids the registration of any person as transferee or owner of, or any instrument affecting the said estate or interest, unless the instrument or certificate of title, as the case may be, is expressed to be subject to its claim.

I APPOINT:

ALTALAW LLP
Barristers & Solicitors
5233 – 49 Avenue
Red Deer, Alberta T4N 6G5
ATTENTION: THOMAS G. LANGFORD

as the place at which notices and proceedings relating hereto may be served.

DATED this 5th day of June, 2015.

**BUSINESS DEVELOPMENT BANK OF CANADA, BY
ITS AGENTS AND SOLICITORS, ALTALAW LLP**

PER: 


THOMAS G. LANGFORD

AFFIDAVIT

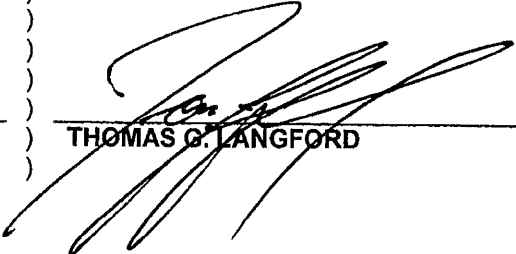
CANADA) I, THOMAS G. LANGFORD, of the
PROVINCE OF ALBERTA) City of Red Deer, in the Province of Alberta,
TO WIT:) Barrister and Solicitor, MAKE OATH AND SAY:

1. I am the agent for the above-named Caveator.
2. I believe that the said Caveator has a good and valid claim upon the said land and I say that this Caveat is not being filed for the purpose of delaying or embarrassing any person interested in or proposing to deal therewith.

SWORN BEFORE ME at the City of
Red Deer, in the Province of Alberta,
this 5th day of June, 2015.


A COMMISSIONER FOR OATHS IN AND FOR
FOR THE PROVINCE OF ALBERTA
KORINN E. LEPAGE
My commission expires August 25, 2015

KORINN E. LEPAGE
My Commission Expires
August 25, 2015


THOMAS G. LANGFORD



GENERAL ASSIGNMENT OF RENTALS

THIS AGREEMENT dated September 10, 2015.

BETWEEN:

1872806 ALBERTA LTD. a body corporate pursuant to the laws of the Province of Alberta, of Box 603, Provost, Alberta T0B 3S0.

(hereinafter called the "Borrower")

OF THE FIRST PART

AND:

BUSINESS DEVELOPMENT BANK OF CANADA incorporated by Special Act of the Parliament of Canada, and having its Head Office at the City of Montreal, in the Province of Quebec, with a business centre at Suite 200, 4900 – 50 Street, Red Deer, Alberta T4N 1X7.

(hereinafter called "BDC")

OF THE SECOND PART

WHEREAS:

- A. By a Mortgage made between the Borrower and BDC, which Mortgage is dated the 10 day of September, 2015, (hereinafter called the "Mortgage") the Borrower did grant and mortgage unto BDC the lands and premises in the Mountain View County, in the Province of Alberta, and legally described as follows:

PLAN 0611068
BLOCK 1
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 3.227 HECTARES (7.97 ACRES) MORE OR LESS

(hereinafter called the "Lands and Premises")

to secure payment of ONE MILLION FIVE HUNDRED SIXTY THOUSAND (\$1,560,000.00) DOLLARS and interest thereon as therein set forth;

- B. The Borrower has agreed to assign to BDC all rents and other monies now due and payable or hereafter to become due and payable under every existing and future lease of and Agreement to Lease the whole or any portion of the Lands and Premises as a further security for the payment of the principal sum and interest secured by the Mortgage and for the performance of the covenants in the Mortgage contained;

NOW THEREFORE in consideration of the premises, the sum of One (\$1.00) Dollar now paid by BDC to the Borrower, and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the Borrower), the parties hereto covenant and agree as follows:

1. The Borrower doth hereby assign and set over unto BDC as security for the said principal and interest secured by the Mortgage and for the performance of the covenants in the Mortgage contained all rents and other monies now due and payable or hereafter to become due and

payable under every existing and future Lease of and Agreement to Lease the whole or any portion of the Lands and Premises (hereinafter called the "Leases"), together with the benefit of all covenants, agreements and provisos contained in the Leases with full power and authority to demand, collect, sue for, recover, receive and give receipts for the rents and to enforce payment thereof in the name of the Borrower, its successors and assigns.

2. Nothing herein contained shall be deemed to have the effect of making BDC responsible for the collection of any rents and other monies now due and payable or to become due and payable, or for the performance of any covenants, terms and conditions either by the lessor or by the lessee contained or to be contained in the Leases and BDC shall not, by virtue of these presents, be deemed a Mortgagee in possession of the Lands and Premises or any part thereof.
3. BDC shall be liable to account for only such monies as shall actually come into its hands by virtue of these presents, less collection charges, exigible taxes and costs (including solicitor and client costs). Such monies when so received by BDC shall be applied on account of the monies from time to time due under the Mortgage and any renewal or extension thereof, or under any agreement collateral thereto.
4. The said rents and other monies now due and payable or hereafter to become due and payable thereunder and other benefits hereby assigned or to be assigned to BDC are being taken as collateral security only for the due payment of any sum due under the Mortgage or any renewal or extension thereof or of any Mortgage taken in substitution therefor, either wholly or in part, and none of the rights or remedies of BDC under the Mortgage shall be delayed or in any way prejudiced by these presents.
5. Notwithstanding any variation of the terms of the Mortgage or any agreement or arrangement with the Borrower or any extension of time for payment or any release of part or parts of the Lands and Premises, or of any collateral security, the said rents and monies now due and payable or hereafter to become due and payable thereunder and other benefits hereby assigned or to be assigned shall continue as collateral security until the whole of the monies secured by the Mortgage shall be fully paid and satisfied.
6. None of the Leases or the Borrower's rights thereunder including the right to receive rents and monies, has been or will be amended, assigned, encumbered, terminated, discounted or anticipated without BDC's prior written consent.
7. The Borrower covenants and agrees from time to time and at all times hereafter, at the request of BDC, to execute and deliver at the expense of the Borrower such further assurances for the better and more perfectly assigning to BDC all rents and monies now due and payable or hereafter to become payable thereunder, as BDC shall reasonably advise.
8. No tenant, sub-tenant, licensee or sub-licensee, as the case may be, may make, and the Borrower may not accept, a prepayment of rents or monies payable under the Leases without BDC's prior written consent, and where any such person has a contractual right to repay rents under any of the Leases registered prior to this Mortgage, such prepayment will, if made, be paid to BDC and applied as prepayment against any monies then owing to BDC or held as security until the whole of the monies secured by the Mortgage shall be fully paid and satisfied, as BDC may determine, unless BDC has, in writing, waived its right to receive such prepayment.
9. Until default shall have been made in the payment of any instalment of principal or of interest as provided in the Mortgage or any renewal or extension thereof or until the breach of any covenants contained in the Mortgage, the Borrower shall, except for prepayments, be entitled to receive all rents or monies payable under the Leases and shall not be liable to account therefor to BDC, but immediately upon default in payment of either the principal or interest under the Mortgage, or upon a breach on the part of the Borrower of any of the covenants contained in the Mortgage, and so often as either may occur, BDC upon notice to the lessee or to any person or persons liable for payment of any rents or monies under the Leases, shall be entitled to all such rents or monies falling due subsequent to the date of service of such notice.

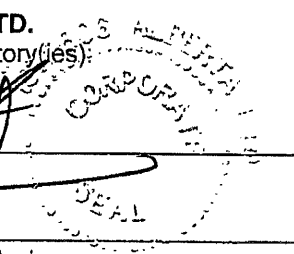
10. Notwithstanding this Assignment, the Borrower shall be solely responsible for performing and complying with all the lessor's covenants and other obligations under the terms of the Leases and shall perform, according to the true intent and meaning thereof, all such the covenants and obligations contained in the Leases so that the rights and remedies of BDC shall not be in any way delayed or prejudiced.
11. BDC may, but shall not be bound to, institute proceedings for the purpose of enforcing any Leases or collecting the rents or for the purpose of preserving any rights of BDC, the Borrower or any other person, firm or corporation in respect of the same.
12. BDC may waive any default or breach of covenant and shall not be bound to serve any notice as hereinbefore set forth upon the happening of any default or beach of covenant, but any such waiver shall not extend to any subsequent default or breach of covenant.
13. This Agreement shall enure to and be binding upon the Parties hereto and their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF the Borrower has executed these presents the day and year first above written.

1872806 ALBERTA LTD.
by its authorized signatory(ies):

PER: _____

PER: _____





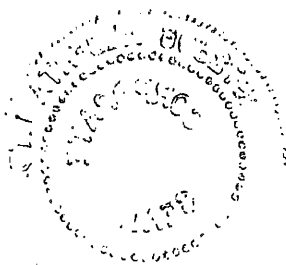
151253087

151253087 REGISTERED 2015 09 29

CAVE - CAVEAT

DOC 3 OF 6 DRR#: C0ECD68 ADR/CALMICHE

LINC/S: 0031646326




THIS IS EXHIBIT "17"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.


A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta



GENERAL SECURITY AGREEMENT

THIS AGREEMENT dated June September 10, 2015, 

FROM:

1872806 ALBERTA LTD, a body corporate pursuant to the laws of the Province of Alberta, of Box 2258, Sundre, Alberta T0M 1X0,

(the "Borrower")

TO:

BUSINESS DEVELOPMENT BANK OF CANADA, incorporated by Special Act of the Parliament of Canada, and having its head office in Montreal, Québec, with a business centre at Suite 200, 4900 - 50 Street, Red Deer, Alberta T4N 1X7,

("BDC")

1. SECURITY INTEREST

(You, as the Borrower, will grant to BDC a charge, referred to as a security interest, over all personal property now held or in the future held or acquired by you. You will also grant a charge, referred to as a floating charge, over your complete undertaking and real property interests. These charges are the security BDC will hold in consideration of lending you funds or providing the credit facility to you.)

1.1 For consideration the Borrower:

- (a) mortgages and charges as a fixed and specific charge, and assigns and transfers to BDC, and grants to BDC a general and continuing security interest in all of the Borrower's present and after acquired personal property including, without limitation:
 - (i) all office, trade, manufacturing and all other equipment and all goods, including, without limitation, machinery, tools, fixtures, computers, furniture, furnishings, chattels, motor vehicles and other tangible personal property that is not inventory, and all parts, components, attachments, accessories, accessories, replacements, substitutions, additions and improvements to any of the above (all of which is collectively called the "Equipment");
 - (ii) all inventory, including, without limitation, goods acquired or held for sale or lease or furnished or to be furnished under contracts of rental or service, all raw materials, work in process, finished goods, returned goods, repossessed goods, all livestock and their young after conception, all crops and timber, and all packaging materials, supplies and containers relating to or used or consumed in connection with any of the foregoing (all of which is collectively called the "Inventory");
 - (iii) all debts, accounts, claims, demands, monies and choses in action which now are, or which may at any time be, due or owing to or owned by the Borrower and all books, records, documents, papers and electronically recorded data recording, evidencing or relating to the debts, accounts, claims, demands, monies and choses in action (all of which is collectively called the "Accounts");
 - (iv) all documents of title, chattel paper, instruments, securities and money, and all other personal property, of the Borrower that is not Equipment, Inventory or Accounts;

- (v) all patents, trade-marks, copyrights, industrial designs, plant breeder's rights, integrated circuit topographies, trade-names, goodwill, confidential information, trade secrets and know-how, including without limitation, environmental technology and bio-technology, software and any registrations and applications for registration of the foregoing and all other intellectual and industrial property of the Borrower (all of which is hereinafter collectively called the "Intellectual Property");
 - (vi) all the Borrower's contractual rights, licenses and all other choses in action of every kind which now are, or which may at any time be due or owing to or owned by the Borrower, and all other intangible property of the Borrower, that is not Accounts, chattel paper, instruments, documents of title, Intellectual Property, securities or money;
 - (vii) the personal property described in Schedule A attached to this Security Agreement;
 - (viii) all proceeds of every nature and kind arising from the personal property referred to in this Security Agreement;
- (b) grants to BDC a general and continuing security interest and charges by way of a floating charge:
- (i) all of the Borrower's right, title and interest in all its present and after acquired real, immovable and leasehold property, and all easements, rights-of-way, privileges, benefits, licences, improvements and rights whether connected with or appurtenant to this property or separately owned or held, including all structures, plant and other fixtures and including all mineral claims, mineral rights and leases, all oil, gas and hydrocarbon rights and interests (all of which is collectively called the "Real Property") and excluding the personal property described in Clause 1.1(a); and
 - (ii) all of the undertaking and assets of the Borrower, of every nature or kind and wherever situate, whether presently owned or hereafter acquired, and all their proceeds, other than its assets and undertakings that are otherwise validly and effectively subject to the charges and security interests in favour of BDC created pursuant to this Clause 1.1.

1.2 The security interests, mortgages, transfers, assignments, charges, grants and conveyances created pursuant to Clause 1.1 shall be collectively called the "Security Interests", and the property subject to the Security Interests and all property, assets and undertaking charged, assigned or transferred or secured by any instruments supplemental to or in implementation of this Security Agreement are collectively called the "Collateral".

1.3 The schedules, including definitions, form part of this Security Agreement.

2. EXCEPTIONS

(With few exceptions, all of your personal property and real property interests are subject to the security interests and charges described in Clause 1.1. Only the last day of any lease term and possibly your consumer goods are excepted. Corporations do not hold consumer goods.)

2.1 The last day of the term created by any lease or agreement is excepted out of any charge or the Security Interests but the Borrower shall stand possessed of the reversion and shall remain upon trust to assign and dispose of it to any third party as BDC shall direct.

2.2 All the Borrower's consumer goods are excepted out of the Security Interests; provided that for the purposes of Collateral in the Yukon the Security Interests shall include Special Consumer Goods as that term is defined in the *Personal Property Security Act* (Yukon); provided further that for the purposes of Collateral in Saskatchewan the Security Interests shall include consumer goods of the Borrower.

3. ATTACHMENT

(Value or consideration has flowed between you and BDC and the Security Interests in your personal property are complete once you sign this Security Agreement.)

The Borrower agrees that the Security Interests attach upon the signing of this Security Agreement (or in the case of after acquired property, upon the date of acquisition), that value has been given, and that the Borrower has (or in the case of after acquired property, will have upon the date of acquisition) rights in the Collateral and the Borrower confirms that there has been no agreement between the Borrower and BDC to postpone the time for attachment of the Security Interests and that it is the Borrower's understanding that BDC intends the Security Interests to attach at the same time.

4. PURCHASE MONEY SECURITY INTEREST

(To the extent that BDC helps you acquire an interest in any personal property, you grant a special security interest to BDC over that personal property. The special security interest is known as a "Purchase Money Security Interest".)

The Borrower acknowledges and agrees that the Security Interests constitute and are intended to create Purchase Money Security Interests in Collateral to the extent that monies advanced by BDC, including all future advances and re-advances, are used or are to be used, in whole or in part, to purchase or otherwise to acquire rights in Collateral.

5. OBLIGATIONS SECURED

(The Security Interests and charges you have granted to BDC secure all indebtedness and all obligations to BDC.)

This Security Agreement is in addition to and not in substitution for any other security interest or charge now or in the future held by BDC from the Borrower or from any other person and shall be general and continuing security for the payment and performance of all indebtedness, liabilities and obligations of the Borrower to BDC (including interest thereon), whether incurred prior to, at the time of or after the signing of this Security Agreement including extensions and renewals, and all other liabilities of the Borrower to BDC, present and future, absolute or contingent, joint or several, direct or indirect, matured or not, extended or renewed, wherever and however incurred, including all advances on current or running account, future advances and re-advances of any loans or credit by BDC and the Borrower's obligation and liability under any contract or guarantee now or in the future in existence whereby the Borrower guarantees payment of the debts, liabilities and/or obligations of a third party to BDC, and for the performance of all obligations of the Borrower to BDC, whether or not contained in this Security Agreement (all of which indebtedness, liabilities and obligations are collectively called the "Obligations").

6. REPRESENTATIONS AND WARRANTIES

(You state that you are able to legally grant this Security Agreement to BDC, it will be binding and the Collateral is not subject to any encumbrances that have not been approved by BDC. You own the Collateral and nothing prevents you from granting the Security Interests and charges in favour of BDC. BDC will rely on all of the following representations and warranties.)

6.1 The Borrower represents and warrants to BDC that:

- (a) if a corporation, it is a corporation incorporated and organized and validly existing and in good standing under the laws of the jurisdiction of its incorporation; it has the corporate power to own or lease its property and to carry on the business conducted by it; it is qualified as a corporation to carry on the business conducted by it and to own or lease its property and is in good standing under the laws of each jurisdiction in which the nature of its business or the property owned or leased by it makes such qualification necessary; and the execution, delivery and performance of this Security Agreement are within its corporate powers, have been authorized and do not contravene, violate or conflict with any law or the terms and provisions of its constating documents or its by-laws or any shareholders agreement or any other agreement, indenture or undertaking to which the Borrower is a party or by which it is bound;
- (b) if it is a corporation, its name as set forth on page 1 of this Security Agreement is its full, true and correct name as stated in its constating documents and if such name is in English, it does not have or use a French language form of its name or a combined English language and French language form of its name and vice versa, and the Borrower has provided a written memorandum to BDC accurately setting forth all prior names under which the Borrower has operated;
- (c) if it is a partnership, its name as set forth on page 1 is its full, true and correct, and where required or voluntarily registered its registered, name; it is a partnership validly created and organized and validly existing under the laws of the jurisdiction of its creation; it has the power to carry on the business

conducted by it; it is qualified as a partnership to carry on the business conducted by it and is in good standing under the laws of each jurisdiction in which the nature of its business makes such qualification necessary; and the execution, delivery and performance of this Security Agreement are within its powers, have been authorized, and do not contravene, violate or conflict with any law or the terms of its partnership agreement or any other agreement, indenture or undertaking to which the Borrower is a party or by which it is bound, and a complete list of the names, addresses and (if individuals) the dates of birth of the partners of the partnership are set forth on a Schedule attached to this Security Agreement;

- (d) if the Borrower is an Individual, that Individual's full name and address as set forth on page 1 of this Security Agreement are the individual's full and correct name and address and the individual's date of birth as described on the individual's birth certificate a true copy of which has been provided to BDC or, if no birth certificate issued from any jurisdiction in Canada exists, as described on the documents provided to BDC is the individual's correct birth date;
- (e) there is no litigation or governmental proceedings commenced or pending against or affecting the Collateral or the Borrower, in which a decision adverse to the Borrower would constitute or result in a material adverse change in the business, operations, properties or assets or in the condition, financial or otherwise, of the Borrower; and the Borrower agrees to promptly notify BDC of any such future litigation or governmental proceeding;
- (f) it does not have any information or knowledge of any facts relating to its business, operations, property or assets or to its condition, financial or otherwise, which it has not disclosed to BDC in writing and which, if known to BDC, might reasonably be expected to deter BDC from extending credit or advancing funds to the Borrower;
- (g) it has good title and lawfully owns and possesses all presently held Collateral, free from all security interests, charges, encumbrances, liens and claims, save only the Security Interests and the charges or security interests consented to in writing by BDC, and it has not granted any licenses in or of its Intellectual Property other than as disclosed and consented to by BDC;
- (h) to the extent that any of the Collateral includes serial numbered goods and motor vehicles which require serial number registration by virtue of the Act and its regulations including motor vehicles, trailers, manufactured homes, mobile homes, boats, outboard motors for boats or aircraft, the Borrower has given the full and correct serial numbers and any Ministry of Transport designation marks or other relevant licensing authority marks of all such Collateral to BDC;
- (i) the Collateral is and/or will be located at the place(s) described in Schedule A and will not be removed from such location(s) without the prior written consent of BDC;
- (j) this Security Agreement is granted in accordance with resolutions of the directors (and of the shareholders as applicable) of the Borrower, if the Borrower is a corporation, or, if the Borrower is a partnership, of the partners of the Borrower, and all other requirements have been fulfilled to authorize and make the execution and delivery of this Security Agreement, and the performance of the Borrower's obligations valid and there is no restriction contained in the constating documents of the Borrower or in any shareholder's agreement or partnership agreement which restricts the powers of the authorized signatories of the Borrower to borrow money or give security; and
- (k) the Borrower's place(s) of business and chief executive office are correctly described in Schedule A.

7. COVENANTS OF THE BORROWER

(The Security Interests and the Collateral must be protected while the Security Agreement remains in effect. These covenants are your promises to BDC describing how BDC's Security Interests will be attended to. You will also covenant to maintain accurate books and records and allow BDC's inspection. Your promises are found in the Security Agreement and Schedules.)

7.1 The Borrower covenants with BDC that while this Security Agreement remains in effect the Borrower will:

- (a) promptly pay and satisfy the Obligations as they become due or are demanded;

- (b) defend the title to the Collateral for BDC's benefit, against the claims and demands of all persons;
- (c) fully and effectually maintain and ensure that the Security Interests are and continue to be valid and effective;
- (d) maintain the Collateral in good condition and repair and provide adequate storage facilities to protect the Collateral and not permit the value of the Collateral to be impaired;
- (e) observe and conform to all Valid requirements of any governmental authority relative to any of the Collateral and all covenants, terms and conditions upon or under which the Collateral is held;
- (f) promptly pay and satisfy:
 - (i) all taxes, assessments, rates, duties, levies, government fees, claims and dues lawfully levied, assessed or imposed upon it or the Collateral when due, unless the Borrower shall in good faith contest its obligations so to pay and shall furnish to BDC such security as BDC may require;
 - (ii) all security interests, charges, encumbrances, liens and claims which rank or could rank in priority to, or on an equal basis with, any of the Security Interests; and
 - (iii) all fees from time to time chargeable by BDC arising out of any term of the commitment letter or the Loan Agreement between BDC and the Borrower including, without limitation, inspection, administration and returned cheque handling fees;
- (g) promptly pay and satisfy all costs, charges, expenses and legal fees and disbursements (on a solicitor and its own client basis) which may be incurred by BDC in connection with granting loans or credit to the Borrower, including for:
 - (i) inspecting the Collateral;
 - (ii) negotiating, preparing, perfecting, registering or renewing the registration of this Security Agreement and the Security Interests, any Financing or Financing Change Statement, any modification or amending agreement and other documents relating to the Borrower's obligations, whether or not relating to this Security Agreement;
 - (iii) complying with any disclosure requirements under the Act;
 - (iv) investigating title to the Collateral;
 - (v) taking, recovering, keeping possession and disposing of the Collateral;
 - (vi) maintaining the Collateral in good repair, storing the Collateral and preparing the Collateral for disposition;
 - (vii) any inspection, appraisal, investigation or environmental audit of the Collateral and the cost of any environmental rehabilitation, treatment, removal or repair necessary to protect, preserve or remedy the Collateral including any fine or penalty BDC becomes obligated to pay by reason of any statute, order or direction of competent authority;
 - (viii) any sums BDC pays as fines, clean up costs because of contamination of or from your assets. Further you will indemnify BDC and its employees and agents from any liability or costs incurred including legal defence costs. Your obligation under this paragraph continues even after the Obligations are repaid and this Security Agreement is terminated;
 - (ix) all other actions and proceedings taken to preserve the Collateral, enforce this Security Agreement and of any other security interest held by BDC as security for the Obligations, protect BDC from liability in connection with the Security Interests or assist BDC in its loan and credit

granting or realization of the Security Interest, including any actions under the *Bankruptcy and Insolvency Act (Canada)* and all remuneration of any Receiver (as defined in Article 15 hereof) or appointed pursuant to the *Bankruptcy and Insolvency Act (Canada)*;

- (h) at BDC's request, execute and deliver further documents and instruments and do all acts as BDC in its absolute discretion requires to confirm, register and perfect, and maintain the registration and perfection of, the Security Interests;
- (i) notify BDC promptly of:
 - (i) any change in the information contained in this Security Agreement relating to the Borrower, its business or the Collateral, including, without limitation, any change of name or address (including any change of trade name, proprietor or partner) and any change in the present location of any Collateral;
 - (ii) the details of any material acquisition of Collateral, including the acquisition of any motor vehicles, trailers, manufactured homes, boats or aircraft;
 - (iii) any material loss or damage to the Collateral;
 - (iv) any material default by any account debtor in the payment or other performance of its obligations to the Borrower respecting any Accounts;
 - (v) any claims against the Borrower including claims in respect of the Intellectual Property or of any actions taken by the Borrower to defend the registration of or the validity of or any infringement of the Intellectual Property;
 - (vi) the return to or repossession by the Borrower of Collateral that was disposed of by the Borrower; and
 - (vii) all additional places of business and any changes in its place(s) of business or chief executive office;
- (j) prevent the Collateral, other than Inventory sold, leased, or otherwise disposed of as permitted by this Security Agreement, from being or becoming an accession to property not covered by this Security Agreement;
- (k) carry on and conduct its business and undertaking in a proper and businesslike manner so as to preserve and protect the Collateral and the earnings, income, rents, issues and profits of the Collateral, including maintenance of proper and accurate books of account and records;
- (l) permit BDC and its representatives, at all reasonable times, access to the Collateral including all of the Borrower's property, assets and undertakings and to all its books of account and records, whether at your premises or at your financial advisors, for the purpose of inspection and the taking of extracts, and the Borrower will render all assistance necessary;
- (m) permit and does consent to BDC contacting and making enquiries of the Borrower's lessors as well as assessors, municipal authorities and any taxing body;
- (n) observe and perform all its obligations under:
 - (i) leases, licences, undertakings, and any other agreements to which it is a party;
 - (ii) any statute or regulation, federal, provincial, territorial, or municipal, to which it is subject;
- (o) deliver to BDC from time to time promptly upon request:
 - (i) any documents of title, instruments, securities and chattel paper constituting, representing or

relating to the Collateral;

- (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral to allow BDC to inspect, audit or copy them;
 - (iii) all financial statements prepared by or for the Borrower regarding the Borrower's business;
 - (iv) such information concerning the Collateral, the Borrower and the Borrower's business and affairs as BDC may reasonably require;
 - (p) with respect to the Intellectual Property, take all necessary steps and initiate all necessary proceedings, to maintain the registration or recording of the Intellectual Property, to defend the Intellectual Property from infringement and to prevent any licensed or permitted user from doing anything that may invalidate or otherwise impair the Intellectual Property;
 - (q) with respect to copyright forming part of the Intellectual Property, provide to BDC waivers of the moral rights thereto executed by all contributors or authors of the copyrighted work;
 - (r) receive and hold in trust on behalf of and for the benefit of BDC all proceeds from the sale or other disposition of any Collateral; and
 - (s) observe and perform the additional covenants and agreements set out in any schedules to this Security Agreement, including Schedule B, if any.
- 7.2 Any amounts required to be paid to BDC by the Borrower under this Clause 7 shall be immediately payable with interest at the highest rate borne by any of the Obligations until all amounts have been paid.
- 7.3 This Security Agreement shall remain in effect until it has been terminated by BDC by notice of termination to the Borrower and all registrations relating to the Security Agreement have been discharged.
- 8. INSURANCE**
(It is your obligation to thoroughly insure the Collateral in order to protect your interests and those of BDC. You will follow the specific requirements of the insurance coverage described in this Clause.)
- 8.1 The Borrower covenants that while this Security Agreement is in effect the Borrower shall:
- (a) maintain or cause to be maintained insurance on the Collateral with a reputable insurer, of kinds, for amounts and payable to such person or persons, all as BDC may require, and in particular maintain insurance on the Collateral to its full insurable value against loss or damage by fire and all other risks of damage, including an extended coverage endorsement and in the case of motor vehicles, insurance against theft;
 - (b) cause the insurance policy or policies required by this Security Agreement to be assigned to BDC, including a standard mortgage clause or a mortgage endorsement, as BDC may require;
 - (c) pay all premiums respecting such insurance, and deliver all policies to BDC, if required.
- 8.2 If proceeds of any required insurance becomes payable, BDC may, in its absolute discretion, apply these proceeds to the Obligations as BDC sees fit or release any insurance proceeds to the Borrower to repair, replace or rebuild, but any release of insurance proceeds to the Borrower shall not operate as a payment on account of the Obligations or in any way affect this Security Agreement or the Security Interests.
- 8.3 The Borrower will promptly, on the happening of loss or damage to the Collateral, notify BDC and furnish to BDC at the Borrower's expense any necessary proof and do any necessary act to enable BDC to obtain payment of the insurance proceeds, but nothing shall limit BDC's right to submit to the insurer a proof of loss on its own behalf.

- 8.4 The Borrower authorizes and directs the insurer under any required policy of insurance to include the name of BDC as loss payee on any policy of insurance and on any cheque or draft which may be issued respecting a claim settlement under and by virtue of such insurance, and the production by BDC to any insurer of a notarial or certified copy of this Security Agreement (notarized or certified by a notary public or solicitor) shall be the insurer's complete authority for so doing.
- 8.5 If the Borrower fails to maintain insurance as required, BDC may, but shall not be obliged to, maintain or effect such insurance coverage, or so much insurance coverage as BDC may wish to maintain.

9. OTHER PROHIBITIONS

(You agree to not encumber your property so as to interfere with the security interests or charges granted to BDC and you will not dispose of any of the Collateral except inventory disposed of in the ordinary course of your business.)

Without the prior written consent of BDC the Borrower will not:

- (a) create or permit to exist any security interest in, charge, encumbrance or lien over, or claim against any of its property, assets, undertakings including without limitation the Collateral which ranks or could in any event rank in priority to or on an equal basis with any of the Security Interests created by this Security Agreement;
- (b) grant, sell, or otherwise assign any of its chattel paper or any of the Collateral except only Inventory that is disposed of in accordance with Clause 10.2;
- (c) where the Borrower is a corporation:
 - (i) issue, purchase or redeem its shares;
 - (ii) change its voting control;
 - (iii) permit any of its shareholders to sell, transfer or dispose of its shares;
 - (iv) declare or pay any dividends on any of its shares; or
 - (v) repay or reduce any shareholders loans or other debts due to its shareholders;
- (d) change its name, merge with or amalgamate with any other entity.

10. RESTRICTIONS ON SALE OR DISPOSAL OF COLLATERAL

(You will preserve and protect all of the Collateral and not dispose of it without the consent of BDC. Any sales or other disposition will result in you holding the proceeds in trust for BDC. Your responsibilities towards the Collateral and any trust proceeds are important to BDC.)

- 10.1 Except as provided by this Security Agreement, without BDC's prior written consent the Borrower will not:
- (a) sell, lease, license or otherwise dispose of the Collateral;
 - (b) release, surrender or abandon possession of the Collateral; or
 - (c) move or transfer the Collateral from the jurisdictions in which the Security Interests have been perfected.
- 10.2 So long as the Borrower is not in default under this Security Agreement the Borrower may lease, sell, license, consign or otherwise deal with items of Inventory only in the ordinary course of its business and for the purposes of carrying on its business.
- 10.3 Any disposition of any Collateral, excepting sales of Inventory in the ordinary course, shall result in the Borrower holding the proceeds in trust for and on behalf of BDC and subject to BDC's exclusive direction and control. Nothing restricts BDC's rights to attach, seize or otherwise enforce its Security Interests in any Collateral sold or disposed, unless it is sold or disposed with BDC's prior written consent.

11. PERFORMANCE OF OBLIGATIONS

(If you do not strictly do all those things that you have agreed to do in this Security Agreement, BDC may perform those obligations but you will be required to pay for them.)

If the Borrower fails to perform its covenants and agreements under this Security Agreement, BDC may, but shall not be obliged to, perform any or all of such covenants and agreements without prejudice to any other rights and remedies of BDC, and any payments made and any costs, charges, expenses and legal fees and disbursements (on a solicitor and its own client basis) incurred by BDC shall be immediately payable by the Borrower to BDC with interest at the highest rate borne by any of the Obligations and shall be secured by the Security Interests, until all such amounts have been paid.

12. ACCOUNTS

(Any dealing with the Collateral that results in an account being created, or proceeds arising, is of particular importance to BDC. The account, or proceeds, acts in substitution for the Collateral that has been sold, usually inventory. You will protect the account or proceeds in favour of BDC.)

Notwithstanding any other provision of this Security Agreement, BDC may collect, realize, sell or otherwise deal with all or a portion of the Accounts in such manner, upon such terms and conditions and at any time, whether before or after default, as may seem to it advisable, and without notice to the Borrower, except in the case of disposition after default; and then subject to the applicable provisions of the Act, if any. All forms of payment received by the Borrower in payment of any Account, or as proceeds, shall be subject to the Security Interests and shall be received and held in trust for BDC.

13. APPROPRIATION OF PAYMENTS

(BDC has the right to determine how funds it receives will be applied in relation to your loan facility.)

Any and all payments made respecting the Obligations and monies realized from any Security Interests (including monies collected in accordance with or realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as BDC sees fit, and BDC may at any time change any appropriation as BDC sees fit.

14. DEFAULT

(You must comply with the payment and other obligations that you have made in favour of BDC. You must also strictly satisfy the covenants and agreements that you have made in this Security Agreement. Failure to do so will be considered a default and BDC will consider its legal remedies and possibly pursue them. This Clause defines the defaults and outlines your obligations.)

14.1 Unless waived by BDC, the Borrower shall be in default under this Security Agreement and shall be deemed to be in default under all other agreements between the Borrower and BDC in any of the following events:

- (a) the Borrower defaults, or threatens to default, in payments when due of any of the Obligations; or
- (b) the Borrower is in breach of, or threatens to breach, any term, condition, obligation or covenant made by it to or with BDC, or any representation or warranty of the Borrower to BDC is untrue or ceases to be accurate, whether or not contained in this Security Agreement; or
- (c) the Borrower or a guarantor of the Borrower declares itself to be insolvent or admits in writing its inability to pay its debts generally as they become due, or makes an assignment for the benefit of its creditors, is declared Bankrupt, makes a proposal or otherwise takes advantage of any provisions for relief under the *Bankruptcy and Insolvency Act* (Canada), the *Companies Creditors' Arrangement Act* (Canada) or similar legislation in any jurisdiction, or makes an authorized assignment; or
- (d) a receiver, manager, receiver and manager or receiver-manager of all or a part of the Collateral is appointed; or
- (e) an order is made or a resolution is passed for the winding up of the Borrower or a guarantor of the Borrower; or
- (f) the Borrower or a guarantor of the Borrower ceases or threatens to cease to carry on all or a

substantial part of its business or makes or threatens to make a sale of all or substantially all of its assets; or

- (g) distress or execution is levied or issued against all or a part of the Collateral; or
- (h) if the Borrower is a corporation and any member or shareholder:
 - (i) commences an action against the Borrower; or
 - (ii) gives a notice of dissent to the Borrower in accordance with the provisions of any governing legislation; or
- (i) if the Borrower is a corporation and its voting control changes without BDC's prior written consent; or
- (j) the Borrower uses any monies advanced to it by BDC for any purpose other than as agreed upon by BDC; or
- (k) without BDC's prior written consent, the Borrower creates or permits to exist any security interest, charge, encumbrance, lien or claim against any of the Collateral which ranks or could in any event rank in priority to or on an equal basis with any of the Security Interests; or
- (l) the holder of any other security interest, charge, encumbrance, lien or claim against any of the Collateral does anything to enforce or realize on such security interest, charge, encumbrance, lien or claim; or
- (m) the Borrower enters into an amalgamation, a merger or other similar arrangement with any other person without BDC's prior written consent or, if the Borrower is a corporation, it is continued or registered in a different jurisdiction without BDC's prior written consent; or
- (n) BDC in good faith and on commercially reasonable grounds believes that the prospect of payment or performance of any of the Obligations is impaired or that any of the Collateral is or is about to be placed in jeopardy or removed from the jurisdiction in which this Security Agreement has been registered; or
- (o) the lessor under any lease to the Borrower of any real or personal property takes any steps to or threatens to terminate such lease or otherwise exercise any of its remedies under such lease as a result of any default by the Borrower; or
- (p) the Borrower causes or allows hazardous materials to be brought upon any lands or premises occupied by the Borrower or to be incorporated into any of its assets, or the Borrower causes, permits, or fails to remedy any environmental contamination upon, in or under any of its lands or assets, or fails to comply with any abatement or remediation order given by a responsible authority; or
- (q) any permit, license, certification, quota or order granted to or held by the Borrower is cancelled, revoked or reduced, as the case may be, or any order against the Borrower is enforced, preventing the business of the Borrower from being carried on for more than 5 days or materially adversely changing the condition (financial or otherwise) of the Borrower's business; or
- (r) if an individual, the Borrower dies or is declared incompetent by a court of competent jurisdiction.

14.2 The floating charge created by this Security Agreement over Real Property shall become a fixed charge upon the earliest of:

- (a) the occurrence of an event described in Clause 14.1(a), (b), (c), (d), (e) or (f), or
- (b) BDC taking any action pursuant to Clause 15 to enforce and realize on the Security Interests;

and for the better securing to BDC repayment of the Obligations the Borrower mortgages to BDC all of the

Borrower's estate and interest in the Real Property.

15. ENFORCEMENT

(If a default occurs, BDC has numerous remedies and legal rights, including enforcement of the Security Agreement according to this Clause. You also have rights, provided by the *Personal Property Security Act* and the common law in your jurisdiction.)

15.1 If the Borrower is in default under this Security Agreement BDC may declare any or all of the Obligations whether or not payable on demand to become immediately due and payable and the Security Interests will immediately become enforceable. To enforce and realize on the Security Interests BDC may take any action permitted by law or in equity as it may deem expedient and in particular, without limitation, BDC may do any of the following:

- (a) appoint by instrument a receiver, manager, receiver and manager or receiver-manager (the "Receiver") of all or any part of the Collateral, with or without bond as BDC may determine, and in its absolute discretion remove such Receiver and appoint another in its stead;
- (b) enter upon any of the Borrower's premises at any time and take possession of the Collateral with power to exclude the Borrower, its agents and its servants, without becoming liable as a mortgagee in possession;
- (c) preserve, protect and maintain the Collateral and make such replacements and repairs and additions to the Collateral as BDC deems advisable;
- (d) dispose of all or part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained and on such terms as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to BDC may seem reasonable, provided that if any sale, lease or other disposition is on credit the Borrower will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies are actually received;
- (e) register assignments of the Intellectual Property, and use, sell, assign, license or sub-license any of the Intellectual Property; and
- (f) exercise all of the rights and remedies of a secured party under the Act and any other applicable laws.

15.2 A Receiver appointed pursuant to this Security Agreement insofar as responsibility for its actions is concerned shall be the agent of the Borrower and not of BDC and, to the extent permitted by law or to such lesser extent permitted by its appointment, shall have all the powers of BDC under this Security Agreement, and in addition shall have power to:

- (a) carry on the Borrower's business and to borrow money either secured or unsecured, and if secured by granting a security interest on the Collateral, such security interest may rank before or on an equal basis with or behind any of the Security Interests and if it does not so specify such security interest shall rank in priority to the Security Interests; and
- (b) make an assignment for the benefit of the Borrower's creditors or a proposal on behalf of the Borrower under the *Bankruptcy and Insolvency Act (Canada)*; and
- (c) commence, continue or defend proceedings in the name of the Receiver or in the name of the Borrower for the purpose of protecting, seizing, collecting, realizing or obtaining possession of or payment for the Collateral; and
- (d) make any arrangement or compromise that the Receiver deems expedient.

15.3 Subject to the claims, if any, of the creditors of the Borrower ranking in priority to this Security Agreement, all amounts realized from the disposition of the Collateral pursuant to this Security Agreement will be applied as BDC, in its absolute discretion and to the full extent permitted by law, may direct as follows:

- (a) In payment of all costs, charges and expenses (including legal fees and disbursements on a solicitor and its own client basis) incurred by BDC respecting or incidental to:
 - (i) the exercise by BDC of the rights and powers granted to it by this Security Agreement; and
 - (ii) the appointment of the Receiver and the exercise by the Receiver of the powers granted to it by this Security Agreement, including the Receiver's reasonable remuneration and all outgoings properly payable by the Receiver;
- (b) in or toward payment to BDC of all principal and other monies (except interest) due in respect of the Obligations;
- (c) in or toward payment to BDC of all interest remaining unpaid respecting the Obligations; and
- (d) in payment to those parties entitled thereto under the Act.

16. GENERAL PROVISIONS PROTECTING BDC

(You have granted this Security Agreement to BDC in consideration by BDC advancing funds or providing credit or a credit facility to you. BDC will not be responsible for debts or liabilities that may arise except to the extent that it agrees to be responsible or liable in this Security Agreement. If enforcement becomes necessary, BDC will act in good faith and in a commercially reasonable manner.)

- 16.1 To the full extent permitted by law, BDC shall not be liable for any debts contracted by it during enforcement of this Security Agreement, for damages to persons or property or for salaries or non-fulfilment of contracts during any period when BDC shall manage the Collateral upon entry or seizure, nor shall BDC be liable to account as a mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or for any default or omission for which a mortgagee in possession may be liable. BDC shall not be bound to do, observe or perform or to see to the observance or performance by the Borrower of any obligations or covenants imposed upon the Borrower nor shall BDC, in the case of securities, instruments or chattel paper, be obliged to preserve rights against other persons, nor shall BDC be obliged to keep any of the Collateral identifiable. To the full extent permitted by law, the Borrower waives any provision of law permitted to be waived by it which imposes greater obligations upon BDC than described above.
- 16.2 Neither BDC nor any Receiver appointed by it shall be liable or accountable for any failure to seize, collect, realize, sell or obtain payments for the Collateral nor shall they be bound to institute proceedings for the purposes of seizing, collecting, realizing or obtaining payment or possession of the Collateral or the preserving of any right of BDC, the Borrower or any other party respecting the Collateral. BDC shall also not be liable for any misconduct, negligence, misfeasance by BDC, the Receiver or any employee or agent of BDC or the Receiver, or for the exercise of the rights and remedies conferred upon BDC or the Receiver by this Security Agreement.
- 16.3 BDC or any Receiver appointed by it may grant extensions of time and other indulgences, take and give securities, accept compromises, grant releases and discharges, release any part of the Collateral to third parties and otherwise deal with the debtors of the Borrower, co-obligants, guarantors and others and with the Collateral and other securities as BDC may see fit without liability to the Borrower and without prejudice to BDC's rights respecting the Obligations or BDC's right to hold and realize the Collateral. The Borrower shall not be released nor shall its liability be in any way reduced because BDC has done or concurred in the doing of anything whereby a guarantor would be released in whole or in part.
- 16.4 Notwithstanding anything to the contrary in any security held by BDC for the Obligations, each part is given as additional, concurrent and collateral security to the remainder of the security. BDC in its sole discretion may realize upon or abstain from realizing on any security for the Obligations in any order or concurrently with the realization under this Security Agreement whether such security is held by it at the date of this Security Agreement or is provided at any time in the future. No realization or exercise or abstaining from exercising of any power or right under this Security Agreement or under any other security shall prejudice any further realization or exercise until all Obligations have been fully paid and satisfied.
- 16.5 Any right of BDC and any obligation of the Borrower arising under any other agreements between BDC and the Borrower shall survive the signing, registration and advancement of any money under this Security

Agreement, and no merger respecting any such right or obligation shall occur by reason of this Security Agreement. The obligation, if any, of the Borrower to pay legal fees, a commitment fee, a standby fee or administration fees, under the terms of BDC's commitment letter or Loan Agreement with the Borrower shall survive the signing and registration of this Security Agreement and BDC's advancement of any money to the Borrower and any legal fees, commitment fees, standby fees or administration fees owing by the Borrower shall be secured by the Collateral.

- 16.6 In the event that BDC registers a notice of assignment of Intellectual Property the Borrower shall be responsible for and shall indemnify BDC against all maintenance and renewal costs in respect thereof, and any costs of initiating or defending litigation, together with all costs, liabilities and damages related thereto.
- 16.7 Notwithstanding any taking of possession of the Collateral, or any other action which BDC or the Receiver may take, the Borrower now covenants and agrees with BDC that if the money realized upon any disposition of the Collateral is insufficient to pay and satisfy the whole of the Obligations due to BDC at the time of such disposition, the Borrower shall immediately pay to BDC an amount equal to the deficiency between the amount of the Obligations and the sum of money realized upon the disposition of the Collateral, and the Borrower agrees that BDC may bring action against the Borrower for payment of the deficiency, notwithstanding any defects or irregularities of BDC or the Receiver in enforcing its rights under this Security Agreement.

17. APPOINTMENT OF ATTORNEY

(You appoint BDC your attorney for specific matters.)

The Borrower irrevocably appoints BDC or the Receiver, as the case may be, with full power of substitution, as the attorney of the Borrower for and in the name of the Borrower to do, make, sign, endorse or execute under seal or otherwise all deeds, documents, transfers, cheques, instruments, demands, assignments, assurances or consents that the Borrower is obliged to sign, endorse or execute and generally to use the name of the Borrower and to do everything necessary or incidental to the exercise of all or any of the powers conferred on BDC, or the Receiver, as the case may be, pursuant to this Security Agreement. This grant and authority shall survive any mental infirmity of the Borrower subsequent to the execution hereof.

18. CONSOLIDATION

(Should you wish to redeem the Security Interest, BDC may require you to also pay other obligations to it before discharging its Security Interests.)

For the purposes of the laws of all jurisdictions in Canada, the doctrine of consolidation applies to this Security Agreement.

19. NO OBLIGATION TO ADVANCE

(BDC determines, in the end, whether any advances or further advances under the loan facility will be made.)

Neither the preparation and execution of this Security Agreement nor the perfection of the Security Interests or the advance of any monies by BDC shall bind BDC to make any advance or loan or further advance or loan, or extend any time for payment of any indebtedness or liability of the Borrower to BDC.

20. WAIVER

(Indulgences granted by BDC should not be taken for granted.)

BDC may permit the Borrower to remedy any default without waiving the default so remedied. BDC may at any time partially or completely waive any right, benefit or default under this Security Agreement but such waiver shall not be a bar to or a waiver of any such right, benefit or default thereafter, or of any other right, benefit or default under this Security Agreement. No waiver shall be effective unless it is in writing and signed by BDC. No delay or omission on the part of BDC in exercising any right shall operate as a waiver of such right or any other right.

21. NOTICE

(This Clause describes how the various notices referred to in this Security Agreement may be given.)

Notice may be given to either party by prepaid mail or delivered to the party for whom it is intended, at the

principal address of such party provided in this Security Agreement or at such other address as may be given in writing by one party to the other, and any notice if posted shall be deemed to have been given at the expiration of three business days after posting and if delivered, on delivery.

22. EXTENSIONS

(Your duties and responsibilities to BDC remain in place regardless of any concerns you may have about the loan facility or BDC's actions.)

BDC may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges, refrain from perfecting or maintaining perfection of security interests, and otherwise deal with the Borrower, the Borrower's account debtors, sureties and others and with the Collateral and other security interests as BDC may see fit without prejudice to the Borrower's liability or BDC's right to hold and realize on the Security Interests.

23. NO MERGER

(Except as agreed upon in the Security Agreement or another contract specifically discussing this point, this Security Agreement is an independent obligation on your part.)

This Security Agreement shall not create any merger or discharge of any of the Obligations, or any assignment, transfer, guarantee, lien, contract, promissory note, bill of exchange or security interest of any form held or which may be held by BDC now or in the future from the Borrower or from any other person. The taking of a judgment respecting any of the Obligations will not operate as a merger of any of the covenants contained in this Security Agreement.

24. RIGHTS CUMULATIVE

(This Security Agreement describes some rights and remedies of BDC. BDC also is entitled to rely on all other rights and remedies available to it in law and in any other agreements it has entered into with you.)

BDC's rights and remedies set out in this Security Agreement, and in any other security agreement held by BDC from the Borrower or any other person to secure payment and performance of the Obligations, are cumulative and no right or remedy contained in this Security Agreement or any other security agreements is intended to be exclusive but each will be in addition to every other right or remedy now or hereafter existing at law, in equity or by statute, or pursuant to any other agreement between the Borrower and BDC that may be in effect from time to time.

25. ASSIGNMENT

(Should BDC assign or transfer or otherwise deal with this Security Agreement on its own behalf, you agree that the Security Agreement shall remain binding and effective upon you.)

BDC may, without notice to the Borrower, at any time assign or transfer, or grant a security interest in, all or any of the Obligations, this Security Agreement and the Security Interests. The Borrower agrees that the assignee, transferee or secured party, as the case may be, shall have all of BDC's rights and remedies under this Security Agreement and the Borrower will not assert as a defense, counterclaim, right of set-off or otherwise any claim which it now has or may acquire in the future against BDC in respect of any claim made or any action commenced by such assignee, transferee or secured party, as the case may be, and will pay the assigned Obligations to the assignee, transferee or secured party, as the case may be, as the said Obligations become due.

26. SATISFACTION AND DISCHARGE

(Until this Security Agreement is terminated and any registrations relating to it are discharged, the Security Agreement will remain effective even though the indebtedness to BDC may have been paid.)

Any partial payment or satisfaction of the Obligations, or any ceasing by the Borrower to be indebted to BDC shall not be a redemption or discharge of this Security Agreement. The Borrower shall be entitled to a release and discharge of this Security Agreement upon full payment and satisfaction of all Obligations, and upon written request by the Borrower and, subject to applicable law, payment to BDC of an administrative fee to be fixed by BDC and payment of all costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) incurred by BDC in connection with the Obligations and such release and discharge. The Borrower shall, subject to applicable law, pay an administrative fee, to be fixed by BDC, for the preparation or execution of any full or partial release or discharge by BDC of any security it holds, of the

Borrower, or of any guarantor or covenantor with respect to any Obligations.

27. ENVIRONMENT

The Borrower represents and agrees that:

- (a) it operates and will continue to operate in conformity with all applicable environmental laws, regulations, standards, codes, ordinances and other requirements of any jurisdiction in which it carries on business and will ensure its staff is trained as required for that purpose;
- (b) it has an environmental emergency response plan and all officers and employees are familiar with that plan and their duties under it;
- (c) it possesses and will maintain all environmental licences, permits and other governmental approvals as may be necessary to conduct its business and maintain the Collateral;
- (d) the Collateral and Real Property are and will remain free of environmental damage or contamination;
- (e) there has been no complaint, prosecution, investigation or proceeding, environmental or otherwise, respecting the Borrower's business or assets including without limitation the Collateral;
- (f) it will advise BDC immediately upon becoming aware of any environmental problems relating to its business or the Collateral;
- (g) it will provide BDC with copies of all communications with environmental officials and all environmental studies or assessments prepared for the Borrower and it consents to BDC contacting and making enquiries of environmental officials or assessors;
- (h) it will not install on or under any land mortgaged to BDC storage tanks for petroleum products or any hazardous substance without BDC's prior written consent and only upon full compliance with BDC's requirements and local ordinances or regulations;
- (i) it will from time to time when requested by BDC provide to BDC evidence of its full compliance with the Borrower's obligations in this Clause 27.

28. ENUREMENT

This Security Agreement shall enure to the benefit of BDC and its successors and assigns, and shall be binding upon the Borrowers and its heirs, executors, administrators, successors and any assigns permitted by BDC, as the case may be.

29. INTERPRETATION

29.1 In this Security Agreement:

- (a) "Collateral" has the meaning set out in Clause 1 and any reference to the Collateral shall, unless the context otherwise requires, be deemed to be a reference to the Collateral in whole or in part;
- (b) "the Act" means the *Personal Property Security Act* of the jurisdiction in which the business centre of BDC is located, as described on page 1 of this Security Agreement, and all regulations under the Act, as amended from time to time.

29.2 Words and expressions used in this Security Agreement that have been defined in the Act shall be interpreted in accordance with their respective meanings given in the Act unless otherwise defined in this Security Agreement or unless the context otherwise requires.

29.3 The invalidity or unenforceability of the whole or any part of any clause of this Security Agreement shall not affect the validity or enforceability of any other clause or the remainder of such clause of this Security

Agreement.

- 29.4 The headings used in this Security Agreement have been inserted for convenience of reference only and shall not define, limit, alter or enlarge the meaning of any provision of this Security Agreement.
- 29.5 This Security Agreement shall be governed by the laws of the jurisdiction referred to in Subclause 29.1(b). For enforcement purposes, the Borrower hereby attorns to the jurisdiction of the courts and laws of any province, state, territory or country in which BDC enforces its rights and remedies hereunder.

30. COPY OF AGREEMENT AND FINANCING STATEMENT

The Borrower:

- (a) acknowledges receiving a copy of this Security Agreement; and
- (b) if the Act so permits, waives all rights to receive from BDC a copy of any financing statement or financing change statement filed, or any verification statement or other document received at any time respecting this Security Agreement.

31. TIME

Time shall in all respects be of the essence.

32. INDEPENDENT ADVICE

The Borrower acknowledges having received, or having had the opportunity to receive, independent legal and accounting advice respecting this Security Agreement and its effect.

33. SASKATCHEWAN LAW

If the Borrower is a corporation, the Borrower agrees as follows:

- (a) that the *Land Contracts (Actions) Act* of Saskatchewan shall have no application to any action, as defined in the *Land Contracts (Actions) Act* of Saskatchewan, respecting this Security Agreement, any mortgage, charge or other security for the payment of money made, given or created by this Security Agreement, any agreement or instrument which renews or extends or is collateral to this Security Agreement, or the rights, powers or remedies of BDC under this Security Agreement or any mortgage or charge created by this Security Agreement as BDC is specifically exempted from the operation of that Act;
- (b) that the *Limitation of Civil Rights Act* of Saskatchewan shall have no application to this Security Agreement, any mortgage, charge or other security for the payment of money made, given or created by this Security Agreement, any agreement or instrument which renews or extends or is collateral to this Security Agreement, or the rights, powers or remedies of BDC under this Security Agreement or any mortgage or charge created by this Security Agreement; and
- (c) that if it is an agricultural corporation, as defined in the *Saskatchewan Farm Security Act*, it has received independent legal advice prior to the execution of this Security Agreement, and agrees that the provisions of Part IV of the *Saskatchewan Farm Security Act*, other than Section 46, shall not apply to the Borrower.

34. PARENTHETICAL COMMENTS

The Borrower acknowledges and agrees that the comments in parentheses are intended to provide a brief but not thorough indication of the intent of the legal provisions that follow in each subsequent clause, and do not form part of this Security Agreement.



35. THE LOAN AGREEMENT

If the Borrower has entered into a commitment letter or a written loan agreement (the "Loan Agreement") with BDC dealing with, or relating to, the loan facilities secured by this Security Agreement, the Borrower acknowledges and agrees that in the event of any discrepancy between any term of this Security Agreement and any term of the Loan Agreement, the terms of the Loan Agreement shall apply and take precedence over the terms of this Security Agreement.

IN WITNESS WHEREOF the Borrower has executed this Security Agreement.

)
1872806 ALBERTA LTD.
by its authorized signatory(ies)

Per: _____

Per: _____

AFFIDAVIT OF OFFICER OF CORPORATION

CANADA) I, _____
PROVINCE OF) of the City of _____
TO WIT:) in the Province of _____

MAKE OATH AND SAY:

1. That I am the _____ of the Borrower.
2. That I subscribed my name to the annexed agreement in my capacity as _____ an officer of the Borrower as aforesaid.
3. That I am one of the persons duly authorized to subscribe my name as aforesaid.

SWORN before me at the _____ of)
_____, in the Province of)
_____, this _____)
day of _____, _____) _____

A Commissioner for Oaths/Notary Public
in and for the Province of _____
My commission expires: _____

AFFIDAVIT OF EXECUTION

CANADA) I, _____
PROVINCE OF) of the City of _____
TO WIT:) in the Province of _____

MAKE OATH AND SAY:

1. That I was personally present and did see the within instrument executed by _____ of the parties thereto.
2. That the said instrument was executed at the _____ of _____ aforesaid.
3. That I know the said party(ies) and am satisfied that she/he is (they are each) of the full age of eighteen/nineteen years.
4. That I am a subscribing witness to the said instrument and duplicate.

SWORN before me at the _____ of)
_____, in the Province of)
_____, this _____)
day of _____, _____) _____

A Commissioner for Oaths/Notary Public
in and for the Province of _____
My commission expires: _____



SCHEDULE A

Subclause 1.1 (a) (vii):

the following specific items, even though they may be included within the descriptions of Collateral (insert description by item or kind):

ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY

the following serial numbered goods:

| Type | Serial No. (re: motor vehicles & trailers) Dept. of Transport No. (re: aircraft) | Year | Make and Model |
|------|---|------|----------------|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

Subclause 6.1 (c):

Date of Birth of Borrower (if an individual):

Month Day Year

Subclause 6.1 (j):

Location(s) of the Collateral:

Subclause 6.1 (k):

The Borrower's place(s) of business ("POB") and chief executive office ("CEO")

| | |
|-------------------------|-----------------------------------|
| Chief Executive Office: | Box 2258 |
| Place of Business: | Sundre Alberta T0M 1X0 |
| And: | BOX 2258, SUNDRE, ALBERTA T0M 1X0 |
| | |



BDC
GUARANTEE


GUARANTOR: 1823741 ALBERTA LTD.
a body corporate pursuant to the laws
of the Province of Alberta,
of Box 2258, Sundre, Alberta T0M 1X0 the "Guarantor"

CREDITOR: Business Development Bank of Canada "BDC"

DEBTOR: 1872806 ALBERTA LTD. the "Borrower"

DEBT: \$1,560,000.00 the "Principal Sum"

LIMIT OF LIABILITY: \$1,560,000.00 (if not limited say "Unlimited") the "Limited Amount"

DATED: June September 10, 2015 

BDC BUSINESS CENTRE: Alberta
(Province/Territory) the "Governing Jurisdiction"

IN CONSIDERATION of BDC agreeing to make a loan to the Borrower of the Principal Sum, the Guarantor covenants with BDC as follows:

1. DEBT AND SECURITY

In this guarantee, "Loan Security" means all accepted letters of offer, loan agreements, promissory notes, debentures, mortgages, hypothecations, pledges, assignments and security agreements of any kind which BDC may hold at any time as security for the payment of the Principal Sum and all agreements amending, extending or renewing those security instruments. The Guarantor has read all of the Loan Security held by BDC as of the date of this guarantee.

2. GUARANTEE

The Guarantor unconditionally guarantees performance by the Borrower of all promises under the Loan Security and payment by the Borrower of the Principal Sum, protective disbursements, interest and other amounts the Borrower has promised to pay under the Loan Security (the foregoing amounts collectively are called the "Outstanding Balance"). The Guarantor also promises to pay to BDC all legal fees and disbursements, on a solicitor and client basis, incurred by BDC in reference to any suit upon this guarantee. The liability of the Guarantor under this guarantee does not exceed the Limited Amount plus legal expenses plus interest on the Limited Amount at the rate provided under the Loan Security calculated and compounded monthly from the date BDC demands payment under this guarantee.

This guarantee shall be a continuing guarantee and the obligations guaranteed hereunder shall include all present and future indebtedness and liabilities of the Borrower to BDC under the Loan Security, of any nature whatsoever, and whether incurred by the Borrower alone or with others.

3. LIABILITY AS PRINCIPAL DEBTOR

As between BDC and the Guarantor, the Guarantor is liable as principal debtor for all of the Borrower's covenants contained in the Loan Security notwithstanding any act or omission of the Borrower or of BDC which might otherwise operate as a partial or absolute discharge of the Guarantor if the Guarantor were only a surety.

4. LIABILITY NOT DIMINISHED BY ACTS OF THE BANK OR THE BORROWER

Except for payment of all sums due under the Loan Security, payment of the amount due under this guarantee or written discharge, no act or omission of BDC or of the Borrower, before or after default, discharges or diminishes the liability of the Guarantor under this guarantee and without restricting the foregoing, the Guarantor covenants with BDC as follows:

- (a) BDC may grant time and other indulgences to the Borrower, to a Guarantor and to any other person liable for all or any portion of the Principal Sum;
- (b) BDC may modify, extend or renew (in either case, on the then current, or on new, terms), exchange, abstain from perfecting, discharge or abandon the Loan Security or any part of it or anything mortgaged or charged by it;
- (c) BDC may enter into any agreement with the Borrower to vary the terms of any agreement affecting the payment or repayment of Principal Sum, including a change in the rate of interest chargeable on the Principal Sum;
- (d) BDC may enter into any agreement or accept any compromise that has the effect of diminishing or extinguishing the liability of the Borrower to BDC or the value of the Loan Security or the value of anything mortgaged by it;
- (e) BDC need not ascertain or enforce compliance by the Borrower or any other person with any covenant under the Loan Security;

- (f) BDC bears no responsibility for any neglect or omission with respect to anything mortgaged under the Loan Security, either during possession by the Borrower or by any third party or by BDC or by anyone on behalf of BDC;
- (g) BDC is not bound to seek recourse against the Borrower before requiring payment from the Guarantor and BDC may enforce its various remedies under this guarantee and the Loan Security or any part of it at any time, in any manner and in any order as BDC may choose;
- (h) BDC bears no duty to the Guarantor in respect of the liquidation of anything mortgaged under the Loan Security and, without restricting the foregoing, it is under no duty to avoid waste of, to obtain a fair price for or to avoid neglect in the liquidation of anything mortgaged under the Loan Security;
- (i) BDC has no obligation to ensure that any Loan Security, other guarantee or security collateral to a guarantee is executed, perfected or delivered and, if by reason of want of authority or failure of execution and delivery or failure to comply with laws respecting perfection and registration of instruments or any other reason, any intended Loan Security, guarantee or collateral security is not granted, is unenforceable or becomes unenforceable, the liability of the Guarantor under this guarantee remains enforceable and undiminished; and
- (j) The Guarantor confirms and agrees that any modifications of the loan terms or Loan Security may be agreed upon directly between BDC and the Borrower without notice to the Guarantor and without the Guarantor's further concurrence.

5. SUBROGATION

The Guarantor shall not be subrogated in any manner to any right of BDC until all money due to BDC under the Loan Security is paid.

6. RELEASE

If more than one person guarantees any of the obligations of the Borrower to BDC under this guarantee or any other instrument, BDC may release any of those persons on any terms BDC chooses and each person executing this guarantee who has not been released shall remain liable to BDC under this guarantee as if the person so released had never guaranteed any of the obligations of the Borrower.

7. PAYMENT AND REMEDYING DEFAULTS

The Guarantor shall pay the amount guaranteed or rectify any default immediately upon receiving a demand from BDC and shall do so whether or not BDC has exhausted its recourses against the Borrower, other parties, the Loan Security or anything mortgaged under the Loan Security. A demand is effectually made when a letter is posted to the address of the Guarantor last known to BDC.

8. NO COLLATERAL AGREEMENTS OR REPRESENTATIONS

Any agreement between BDC and the Guarantor diminishing the liability of the Guarantor under this guarantee, altering any term of this guarantee or imposing any condition against the operation of any such term is of no further force or effect. Any representation made by BDC having such effect is waived. The Guarantor warrants that there are no agreements, representations or conditions that have been relied upon by the Guarantor that are not expressed in this guarantee.

9. CHANGES MUST BE IN WRITING

This guarantee may only be amended by writing executed by BDC. No agreement has the effect of diminishing or discharging the liability of the Guarantor under this guarantee unless the agreement is in writing and executed by BDC. The Guarantor shall not rely upon any future representation made by BDC in respect of the liability of the Guarantor under this guarantee unless such representation is in writing executed by BDC.

10. **JOINT AND SEVERAL LIABILITY**

Where this guarantee has been executed by more than one person, the liability of the persons executing this guarantee is joint and several and every reference in this guarantee to the "Guarantor" shall be construed as meaning each person who has executed it as well as all of them. This guarantee is binding on those who have executed it notwithstanding that it may remain unexecuted by any other person.

11. **JURISDICTION**

The laws of the Governing Jurisdiction shall govern the enforcement of this Guarantee and the Guarantor agrees to submit to the jurisdiction of the Courts of the Governing Jurisdiction.

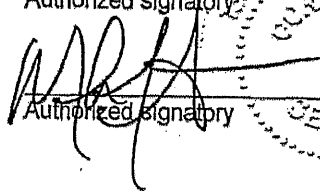
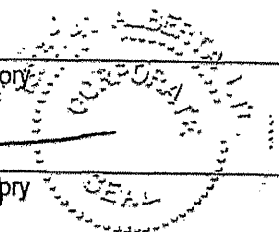
12. **ASSIGNS**

This guarantee is binding upon the Guarantor and the Guarantor's heirs, executors, administrators, successors and assigns and shall enture to the benefit of BDC, its successors and assigns. BDC may assign this guarantee.

13. **COUNTERPARTS**

This guarantee may be executed in any number of counterparts each of which shall be deemed an original with the same effect as if the signatures thereto and hereto were upon the same instrument. Delivery of an executed counterpart of a signature page of this guarantee by telecopy shall be effective as delivery of a manually executed counterpart of this guarantee.

1823741 ALBERTA LTD.
by its authorized signatory(ies):

Authorized signatory _____

Authorized signatory _____




GENERAL SECURITY AGREEMENT

THIS AGREEMENT dated June September 10, 2016 

FROM:

1823741 ALBERTA LTD, a body corporate pursuant to the laws of the Province of Alberta, of Box 2258, Sundre, Alberta T0M 1X0.

(the "Borrower")

TO:

BUSINESS DEVELOPMENT BANK OF CANADA, incorporated by Special Act of the Parliament of Canada, and having its head office in Montreal, Quebec, with a business centre at Suite 200, 4900 - 50 Street, Red Deer, Alberta T4N 1X7.

("BDC")

1. SECURITY INTEREST

(You, as the Borrower, will grant to BDC a charge, referred to as a security interest, over all personal property now held or in the future held or acquired by you. You will also grant a charge, referred to as a floating charge, over your complete undertaking and real property interests. These charges are the security BDC will hold in consideration of lending you funds or providing the credit facility to you.)

1.1 For consideration the Borrower:

- (a) mortgages and charges as a fixed and specific charge, and assigns and transfers to BDC, and grants to BDC a general and continuing security interest in all of the Borrower's present and after acquired personal property including, without limitation:
- (i) all office, trade, manufacturing and all other equipment and all goods, including, without limitation, machinery, tools, fixtures, computers, furniture, furnishings, chattels, motor vehicles and other tangible personal property that is not inventory, and all parts, components, attachments, accessories, accessions, replacements, substitutions, additions and improvements to any of the above (all of which is collectively called the "Equipment");
 - (ii) all inventory, including, without limitation, goods acquired or held for sale or lease or furnished or to be furnished under contracts of rental or service, all raw materials, work in process, finished goods, returned goods, repossessed goods, all livestock and their young after conception, all crops and timber, and all packaging materials, supplies and containers relating to or used or consumed in connection with any of the foregoing (all of which is collectively called the "Inventory");
 - (iii) all debts, accounts, claims, demands, monies and choses in action which now are, or which may at any time be, due or owing to or owned by the Borrower and all books, records, documents, papers and electronically recorded data recording, evidencing or relating to the debts, accounts, claims, demands, monies and choses in action (all of which is collectively called the "Accounts");
 - (iv) all documents of title, chattel paper, instruments, securities and money, and all other personal property, of the Borrower that is not Equipment, Inventory or Accounts;

- (v) all patents, trade-marks, copyrights, industrial designs, plant breeder's rights, integrated circuit topographies, trade-names, goodwill, confidential information, trade secrets and know-how, including without limitation, environmental technology and bio-technology, software and any registrations and applications for registration of the foregoing and all other intellectual and industrial property of the Borrower (all of which is hereinafter collectively called the "Intellectual Property");
 - (vi) all the Borrower's contractual rights, licenses and all other choses in action of every kind which now are, or which may at any time be due or owing to or owned by the Borrower, and all other intangible property of the Borrower, that is not Accounts, chattel paper, instruments, documents of title, Intellectual Property, securities or money;
 - (vii) the personal property described in Schedule A attached to this Security Agreement;
 - (viii) all proceeds of every nature and kind arising from the personal property referred to in this Security Agreement;
- (b) grants to BDC a general and continuing security interest and charges by way of a floating charge:
- (i) all of the Borrower's right, title and interest in all its present and after acquired real, immovable and leasehold property, and all easements, rights-of-way, privileges, benefits, licences, improvements and rights whether connected with or appurtenant to this property or separately owned or held, including all structures, plant and other fixtures and including all mineral claims, mineral rights and leases, all oil, gas and hydrocarbon rights and interests (all of which is collectively called the "Real Property") and excluding the personal property described in Clause 1.1(a); and
 - (ii) all of the undertaking and assets of the Borrower, of every nature or kind and wherever situate, whether presently owned or hereafter acquired, and all their proceeds, other than its assets and undertakings that are otherwise validly and effectively subject to the charges and security interests in favour of BDC created pursuant to this Clause 1.1.

1.2 The security interests, mortgages, transfers, assignments, charges, grants and conveyances created pursuant to Clause 1.1 shall be collectively called the "Security Interests", and the property subject to the Security Interests and all property, assets and undertaking charged, assigned or transferred or secured by any instruments supplemental to or in implementation of this Security Agreement are collectively called the "Collateral".

1.3 The schedules, including definitions, form part of this Security Agreement.

2. EXCEPTIONS

(With few exceptions, all of your personal property and real property interests are subject to the security interests and charges described in Clause 1.1. Only the last day of any lease term and possibly your consumer goods are excepted. Corporations do not hold consumer goods.)

2.1 The last day of the term created by any lease or agreement is excepted out of any charge or the Security Interests but the Borrower shall stand possessed of the reversion and shall remain upon trust to assign and dispose of it to any third party as BDC shall direct.

2.2 All the Borrower's consumer goods are excepted out of the Security Interests; provided that for the purposes of Collateral in the Yukon the Security Interests shall include Special Consumer Goods as that term is defined in the *Personal Property Security Act* (Yukon); provided further that for the purposes of Collateral in Saskatchewan the Security Interests shall include consumer goods of the Borrower.

3. ATTACHMENT

(Value or consideration has flowed between you and BDC and the Security Interests in your personal property are complete once you sign this Security Agreement.)

The Borrower agrees that the Security Interests attach upon the signing of this Security Agreement (or in the case of after acquired property, upon the date of acquisition), that value has been given, and that the Borrower has (or in the case of after acquired property, will have upon the date of acquisition) rights in the Collateral and the Borrower confirms that there has been no agreement between the Borrower and BDC to postpone the time for attachment of the Security Interests and that it is the Borrower's understanding that BDC intends the Security Interests to attach at the same time.

4. PURCHASE MONEY SECURITY INTEREST

(To the extent that BDC helps you acquire an interest in any personal property, you grant a special security interest to BDC over that personal property. The special security interest is known as a "Purchase Money Security Interest".)

The Borrower acknowledges and agrees that the Security Interests constitute and are intended to create Purchase Money Security Interests in Collateral to the extent that monies advanced by BDC, including all future advances and re-advances, are used or are to be used, in whole or in part, to purchase or otherwise to acquire rights in Collateral.

5. OBLIGATIONS SECURED

(The Security Interests and charges you have granted to BDC secure all indebtedness and all obligations to BDC.)

This Security Agreement is in addition to and not in substitution for any other security interest or charge now or in the future held by BDC from the Borrower or from any other person and shall be general and continuing security for the payment and performance of all indebtedness, liabilities and obligations of the Borrower to BDC (including interest thereon), whether incurred prior to, at the time of or after the signing of this Security Agreement including extensions and renewals, and all other liabilities of the Borrower to BDC, present and future, absolute or contingent, joint or several, direct or indirect, matured or not, extended or renewed, wherever and however incurred, including all advances on current or running account, future advances and re-advances of any loans or credit by BDC and the Borrower's obligation and liability under any contract or guarantee now or in the future in existence whereby the Borrower guarantees payment of the debts, liabilities and/or obligations of a third party to BDC, and for the performance of all obligations of the Borrower to BDC, whether or not contained in this Security Agreement (all of which indebtedness, liabilities and obligations are collectively called the "Obligations").

6. REPRESENTATIONS AND WARRANTIES

(You state that you are able to legally grant this Security Agreement to BDC, it will be binding and the Collateral is not subject to any encumbrances that have not been approved by BDC. You own the Collateral and nothing prevents you from granting the Security Interests and charges in favour of BDC. BDC will rely on all of the following representations and warranties.)

6.1 The Borrower represents and warrants to BDC that:

- (a) if a corporation, it is a corporation incorporated and organized and validly existing and in good standing under the laws of the jurisdiction of its incorporation; it has the corporate power to own or lease its property and to carry on the business conducted by it; it is qualified as a corporation to carry on the business conducted by it and to own or lease its property and is in good standing under the laws of each jurisdiction in which the nature of its business or the property owned or leased by it makes such qualification necessary; and the execution, delivery and performance of this Security Agreement are within its corporate powers, have been authorized and do not contravene, violate or conflict with any law or the terms and provisions of its constituting documents or its by-laws or any shareholders agreement or any other agreement, indenture or undertaking to which the Borrower is a party or by which it is bound;
- (b) if it is a corporation, its name as set forth on page 1 of this Security Agreement is its full, true and correct name as stated in its constituting documents and if such name is in English, it does not have or use a French language form of its name or a combined English language and French language form of its name and vice versa, and the Borrower has provided a written memorandum to BDC accurately setting forth all prior names under which the Borrower has operated;
- (c) if it is a partnership, its name as set forth on page 1 is its full, true and correct, and where required or voluntarily registered its registered, name; it is a partnership validly created and organized and validly existing under the laws of the jurisdiction of its creation; it has the power to carry on the business

conducted by it; it is qualified as a partnership to carry on the business conducted by it and is in good standing under the laws of each jurisdiction in which the nature of its business makes such qualification necessary; and the execution, delivery and performance of this Security Agreement are within its powers, have been authorized, and do not contravene, violate or conflict with any law or the terms of its partnership agreement or any other agreement, indenture or undertaking to which the Borrower is a party or by which it is bound, and a complete list of the names, addresses and (if individuals) the dates of birth of the partners of the partnership are set forth on a Schedule attached to this Security Agreement;

- (d) if the Borrower is an individual, that individual's full name and address as set forth on page 1 of this Security Agreement are the individual's full and correct name and address and the individual's date of birth as described on the individual's birth certificate a true copy of which has been provided to BDC or, if no birth certificate issued from any jurisdiction in Canada exists, as described on the documents provided to BDC is the individual's correct birth date;
- (e) there is no litigation or governmental proceedings commenced or pending against or affecting the Collateral or the Borrower, in which a decision adverse to the Borrower would constitute or result in a material adverse change in the business, operations, properties or assets or in the condition, financial or otherwise, of the Borrower; and the Borrower agrees to promptly notify BDC of any such future litigation or governmental proceeding;
- (f) it does not have any information or knowledge of any facts relating to its business, operations, property or assets or to its condition, financial or otherwise, which it has not disclosed to BDC in writing and which, if known to BDC, might reasonably be expected to deter BDC from extending credit or advancing funds to the Borrower;
- (g) it has good title and lawfully owns and possesses all presently held Collateral, free from all security interests, charges, encumbrances, liens and claims, save only the Security Interests and the charges or security interests consented to in writing by BDC, and it has not granted any licenses in or of its Intellectual Property other than as disclosed and consented to by BDC;
- (h) to the extent that any of the Collateral includes serial numbered goods and motor vehicles which require serial number registration by virtue of the Act and its regulations including motor vehicles, trailers, manufactured homes, mobile homes, boats, outboard motors for boats or aircraft, the Borrower has given the full and correct serial numbers and any Ministry of Transport designation marks or other relevant licensing authority marks of all such Collateral to BDC;
- (i) the Collateral is and/or will be located at the place(s) described in Schedule A and will not be removed from such location(s) without the prior written consent of BDC;
- (j) this Security Agreement is granted in accordance with resolutions of the directors (and of the shareholders as applicable) of the Borrower, if the Borrower is a corporation, or, if the Borrower is a partnership, of the partners of the Borrower, and all other requirements have been fulfilled to authorize and make the execution and delivery of this Security Agreement, and the performance of the Borrower's obligations valid and there is no restriction contained in the constating documents of the Borrower or in any shareholders agreement or partnership agreement which restricts the powers of the authorized signatories of the Borrower to borrow money or give security; and
- (k) the Borrower's place(s) of business and chief executive office are correctly described in Schedule A.

7. COVENANTS OF THE BORROWER

(The Security Interests and the Collateral must be protected while the Security Agreement remains in effect. These covenants are your promises to BDC describing how BDC's Security Interests will be attended to. You will also covenant to maintain accurate books and records and allow BDC's inspection. Your promises are found in the Security Agreement and Schedules.)

7.1 The Borrower covenants with BDC that while this Security Agreement remains in effect the Borrower will:

- (a) promptly pay and satisfy the Obligations as they become due or are demanded;



- (b) defend the title to the Collateral for BDC's benefit, against the claims and demands of all persons;
- (c) fully and effectually maintain and ensure that the Security Interests are and continue to be valid and effective;
- (d) maintain the Collateral in good condition and repair and provide adequate storage facilities to protect the Collateral and not permit the value of the Collateral to be impaired;
- (e) observe and conform to all valid requirements of any governmental authority relative to any of the Collateral and all covenants, terms and conditions upon or under which the Collateral is held;
- (f) promptly pay and satisfy:
 - (i) all taxes, assessments, rates, duties, levies, government fees, claims and dues lawfully levied, assessed or imposed upon it or the Collateral when due, unless the Borrower shall in good faith contest its obligations so to pay and shall furnish to BDC such security as BDC may require;
 - (ii) all security interests, charges, encumbrances, liens and claims which rank or could rank in priority to, or on an equal basis with, any of the Security Interests; and
 - (iii) all fees from time to time chargeable by BDC arising out of any term of the commitment letter or the Loan Agreement between BDC and the Borrower including, without limitation, inspection, administration and returned cheque handling fees;
- (g) promptly pay and satisfy all costs, charges, expenses and legal fees and disbursements (on a solicitor and its own client basis) which may be incurred by BDC in connection with granting loans or credit to the Borrower, including for:
 - (i) inspecting the Collateral;
 - (ii) negotiating, preparing, perfecting, registering or renewing the registration of this Security Agreement and the Security Interests, any Financing or Financing Change Statement, any modification or amending agreement and other documents relating to the Borrower's obligations, whether or not relating to this Security Agreement;
 - (iii) complying with any disclosure requirements under the Act;
 - (iv) investigating title to the Collateral;
 - (v) taking, recovering, keeping possession and disposing of the Collateral;
 - (vi) maintaining the Collateral in good repair, storing the Collateral and preparing the Collateral for disposition;
 - (vii) any inspection, appraisal, investigation or environmental audit of the Collateral and the cost of any environmental rehabilitation, treatment, removal or repair necessary to protect, preserve or remedy the Collateral including any fine or penalty BDC becomes obligated to pay by reason of any statute, order or direction of competent authority;
 - (viii) any sums BDC pays as fines, clean up costs because of contamination of or from your assets. Further you will indemnify BDC and its employees and agents from any liability or costs incurred including legal defence costs. Your obligation under this paragraph continues even after the Obligations are repaid and this Security Agreement is terminated;
 - (ix) all other actions and proceedings taken to preserve the Collateral, enforce this Security Agreement and of any other security interest held by BDC as security for the Obligations, protect BDC from liability in connection with the Security Interests or assist BDC in its loan and credit

granting or realization of the Security Interest, including any actions under the *Bankruptcy and Insolvency Act* (Canada) and all remuneration of any Receiver (as defined in Article 15 hereof) or appointed pursuant to the *Bankruptcy and Insolvency Act* (Canada);

- (h) at BDC's request, execute and deliver further documents and instruments and do all acts as BDC in its absolute discretion requires to confirm, register and perfect, and maintain the registration and perfection of, the Security Interests;
- (i) notify BDC promptly of:
 - (i) any change in the information contained in this Security Agreement relating to the Borrower, its business or the Collateral, including, without limitation, any change of name or address (including any change of trade name, proprietor or partner) and any change in the present location of any Collateral;
 - (ii) the details of any material acquisition of Collateral, including the acquisition of any motor vehicles, trailers, manufactured homes, boats or aircraft;
 - (iii) any material loss or damage to the Collateral;
 - (iv) any material default by any account debtor in the payment or other performance of its obligations to the Borrower respecting any Accounts;
 - (v) any claims against the Borrower including claims in respect of the Intellectual Property or of any actions taken by the Borrower to defend the registration of or the validity of or any infringement of the Intellectual Property;
 - (vi) the return to or repossession by the Borrower of Collateral that was disposed of by the Borrower, and
 - (vii) all additional places of business and any changes in its place(s) of business or chief executive office;
- (j) prevent the Collateral, other than Inventory sold, leased, or otherwise disposed of as permitted by this Security Agreement, from being or becoming an accession to property not covered by this Security Agreement;
- (k) carry on and conduct its business and undertaking in a proper and businesslike manner so as to preserve and protect the Collateral and the earnings, income, rents, issues and profits of the Collateral, including maintenance of proper and accurate books of account and records;
- (l) permit BDC and its representatives, at all reasonable times, access to the Collateral including all of the Borrower's property, assets and undertakings and to all its books of account and records, whether at your premises or at your financial advisors, for the purpose of inspection and the taking of extracts, and the Borrower will render all assistance necessary;
- (m) permit and does consent to BDC contacting and making enquiries of the Borrower's lessors as well as assessors, municipal authorities and any taxing body;
- (n) observe and perform all its obligations under:
 - (i) leases, licences, undertakings, and any other agreements to which it is a party;
 - (ii) any statute or regulation, federal, provincial, territorial, or municipal, to which it is subject;
- (o) deliver to BDC from time to time promptly upon request:
 - (i) any documents of title, instruments, securities and chattel paper constituting, representing or

relating to the Collateral;

- (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral to allow BDC to inspect, audit or copy them;
 - (iii) all financial statements prepared by or for the Borrower regarding the Borrower's business;
 - (iv) such information concerning the Collateral, the Borrower and the Borrower's business and affairs as BDC may reasonably require;
 - (p) with respect to the Intellectual Property, take all necessary steps and initiate all necessary proceedings, to maintain the registration or recording of the Intellectual Property, to defend the Intellectual Property from infringement and to prevent any licensed or permitted user from doing anything that may invalidate or otherwise impair the Intellectual Property;
 - (q) with respect to copyright forming part of the Intellectual Property, provide to BDC waivers of the moral rights thereto executed by all contributors or authors of the copyrighted work;
 - (r) receive and hold in trust on behalf of and for the benefit of BDC all proceeds from the sale or other disposition of any Collateral; and
 - (s) observe and perform the additional covenants and agreements set out in any schedules to this Security Agreement, including Schedule B, if any.
- 7.2 Any amounts required to be paid to BDC by the Borrower under this Clause 7 shall be immediately payable with interest at the highest rate borne by any of the Obligations until all amounts have been paid.
- 7.3 This Security Agreement shall remain in effect until it has been terminated by BDC by notice of termination to the Borrower and all registrations relating to the Security Agreement have been discharged.
- 8. INSURANCE**
(It is your obligation to thoroughly insure the Collateral in order to protect your interests and those of BDC. You will follow the specific requirements of the insurance coverage described in this Clause.)
- 8.1 The Borrower covenants that while this Security Agreement is in effect the Borrower shall:
- (a) maintain or cause to be maintained insurance on the Collateral with a reputable insurer, of kinds, for amounts and payable to such person or persons, all as BDC may require, and in particular maintain insurance on the Collateral to its full insurable value against loss or damage by fire and all other risks of damage, including an extended coverage endorsement and in the case of motor vehicles, insurance against theft;
 - (b) cause the insurance policy or policies required by this Security Agreement to be assigned to BDC, including a standard mortgage clause or a mortgage endorsement, as BDC may require;
 - (c) pay all premiums respecting such insurance, and deliver all policies to BDC, if required.
- 8.2 If proceeds of any required insurance becomes payable, BDC may, in its absolute discretion, apply these proceeds to the Obligations as BDC sees fit or release any insurance proceeds to the Borrower to repair, replace or rebuild, but any release of insurance proceeds to the Borrower shall not operate as a payment on account of the Obligations or in any way affect this Security Agreement or the Security Interests.
- 8.3 The Borrower will promptly, on the happening of loss or damage to the Collateral, notify BDC and furnish to BDC at the Borrower's expense any necessary proof and do any necessary act to enable BDC to obtain payment of the insurance proceeds, but nothing shall limit BDC's right to submit to the insurer a proof of loss on its own behalf.



- 8.4 The Borrower authorizes and directs the insurer under any required policy of insurance to include the name of BDC as loss payee on any policy of insurance and on any cheque or draft which may be issued respecting a claim settlement under and by virtue of such insurance, and the production by BDC to any insurer of a notarial or certified copy of this Security Agreement (notarized or certified by a notary public or solicitor) shall be the insurer's complete authority for so doing.
- 8.5 If the Borrower fails to maintain insurance as required, BDC may, but shall not be obliged to, maintain or effect such insurance coverage, or so much insurance coverage as BDC may wish to maintain.

9. OTHER PROHIBITIONS

(You agree to not encumber your property so as to interfere with the security interests or charges granted to BDC and you will not dispose of any of the Collateral except inventory disposed of in the ordinary course of your business.)

Without the prior written consent of BDC the Borrower will not:

- (a) create or permit to exist any security interest in, charge, encumbrance or lien over, or claim against any of its property, assets, undertakings including without limitation the Collateral which ranks or could in any event rank in priority to or on an equal basis with any of the Security Interests created by this Security Agreement;
- (b) grant, sell, or otherwise assign any of its chattel paper or any of the Collateral except only inventory that is disposed of in accordance with Clause 10.2;
- (c) where the Borrower is a corporation:
 - (i) issue, purchase or redeem its shares;
 - (ii) change its voting control;
 - (iii) permit any of its shareholders to sell, transfer or dispose of its shares;
 - (iv) declare or pay any dividends on any of its shares; or
 - (v) repay or reduce any shareholders loans or other debts due to its shareholders;
- (d) change its name, merge with or amalgamate with any other entity.

10. RESTRICTIONS ON SALE OR DISPOSAL OF COLLATERAL

(You will preserve and protect all of the Collateral and not dispose of it without the consent of BDC. Any sales or other disposition will result in you holding the proceeds in trust for BDC. Your responsibilities towards the Collateral and any trust proceeds are important to BDC.)

- 10.1 Except as provided by this Security Agreement, without BDC's prior written consent the Borrower will not:
- (a) sell, lease, license or otherwise dispose of the Collateral;
 - (b) release, surrender or abandon possession of the Collateral; or
 - (c) move or transfer the Collateral from the jurisdictions in which the Security Interests have been perfected.
- 10.2 So long as the Borrower is not in default under this Security Agreement the Borrower may lease, sell, license, consign or otherwise deal with items of Inventory only in the ordinary course of its business and for the purposes of carrying on its business.
- 10.3 Any disposition of any Collateral, excepting sales of Inventory in the ordinary course, shall result in the Borrower holding the proceeds in trust for and on behalf of BDC and subject to BDC's exclusive direction and control. Nothing restricts BDC's rights to attach, seize or otherwise enforce its Security Interests in any Collateral sold or disposed, unless it is sold or disposed with BDC's prior written consent.

11. PERFORMANCE OF OBLIGATIONS

(If you do not strictly do all those things that you have agreed to do in this Security Agreement, BDC may perform those obligations but you will be required to pay for them.)

If the Borrower fails to perform its covenants and agreements under this Security Agreement, BDC may, but shall not be obliged to, perform any or all of such covenants and agreements without prejudice to any other rights and remedies of BDC, and any payments made and any costs, charges, expenses and legal fees and disbursements (on a solicitor and its own client basis) incurred by BDC shall be immediately payable by the Borrower to BDC with interest at the highest rate borne by any of the Obligations and shall be secured by the Security Interests, until all such amounts have been paid.

12. ACCOUNTS

(Any dealing with the Collateral that results in an account being created, or proceeds arising, is of particular importance to BDC. The account, or proceeds, acts in substitution for the Collateral that has been sold, usually inventory. You will protect the account or proceeds in favour of BDC.)

Notwithstanding any other provision of this Security Agreement, BDC may collect, realize, sell or otherwise deal with all or a portion of the Accounts in such manner, upon such terms and conditions and at any time, whether before or after default, as may seem to it advisable, and without notice to the Borrower, except in the case of disposition after default and then subject to the applicable provisions of the Act, if any. All forms of payment received by the Borrower in payment of any Account, or as proceeds, shall be subject to the Security Interests and shall be received and held in trust for BDC.

13. APPROPRIATION OF PAYMENTS

(BDC has the right to determine how funds it receives will be applied in relation to your loan facility.)

Any and all payments made respecting the Obligations and monies realized from any Security Interests (including monies collected in accordance with or realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as BDC sees fit, and BDC may at any time change any appropriation as BDC sees fit.

14. DEFAULT

(You must comply with the payment and other obligations that you have made in favour of BDC. You must also strictly satisfy the covenants and agreements that you have made in this Security Agreement. Failure to do so will be considered a default and BDC will consider its legal remedies and possibly pursue them. This Clause defines the defaults and outlines your obligations.)

14.1 Unless waived by BDC, the Borrower shall be in default under this Security Agreement and shall be deemed to be in default under all other agreements between the Borrower and BDC in any of the following events:

- (a) the Borrower defaults, or threatens to default, in payments when due of any of the Obligations; or
- (b) the Borrower is in breach of, or threatens to breach, any term, condition, obligation or covenant made by it to or with BDC, or any representation or warranty of the Borrower to BDC is untrue or ceases to be accurate, whether or not contained in this Security Agreement; or
- (c) the Borrower or a guarantor of the Borrower declares itself to be insolvent or admits in writing its inability to pay its debts generally as they become due, or makes an assignment for the benefit of its creditors, is declared Bankrupt, makes a proposal or otherwise takes advantage of any provisions for relief under the *Bankruptcy and Insolvency Act* (Canada), the *Companies Creditors' Arrangement Act* (Canada) or similar legislation in any jurisdiction, or makes an authorized assignment; or
- (d) a receiver, manager, receiver and manager or receiver-manager of all or a part of the Collateral is appointed; or
- (e) an order is made or a resolution is passed for the winding up of the Borrower or a guarantor of the Borrower; or
- (f) the Borrower or a guarantor of the Borrower ceases or threatens to cease to carry on all or a

substantial part of its business or makes or threatens to make a sale of all or substantially all of its assets; or

- (g) distress or execution is levied or issued against all or a part of the Collateral; or
- (h) if the Borrower is a corporation and any member or shareholder:
 - (i) commences an action against the Borrower; or
 - (ii) gives a notice of dissent to the Borrower in accordance with the provisions of any governing legislation; or
- (i) if the Borrower is a corporation and its voting control changes without BDC's prior written consent; or
- (j) the Borrower uses any monies advanced to it by BDC for any purpose other than as agreed upon by BDC; or
- (k) without BDC's prior written consent, the Borrower creates or permits to exist any security interest, charge, encumbrance, lien or claim against any of the Collateral which ranks or could in any event rank in priority to or on an equal basis with any of the Security Interests; or
- (l) the holder of any other security interest, charge, encumbrance, lien or claim against any of the Collateral does anything to enforce or realize on such security interest, charge, encumbrance, lien or claim; or
- (m) the Borrower enters into an amalgamation, a merger or other similar arrangement with any other person without BDC's prior written consent or, if the Borrower is a corporation, it is continued or registered in a different jurisdiction without BDC's prior written consent; or
- (n) BDC in good faith and on commercially reasonable grounds believes that the prospect of payment or performance of any of the Obligations is impaired or that any of the Collateral is or is about to be placed in jeopardy or removed from the jurisdiction in which this Security Agreement has been registered; or
- (o) the lessor under any lease to the Borrower of any real or personal property takes any steps to or threatens to terminate such lease or otherwise exercise any of its remedies under such lease as a result of any default by the Borrower; or
- (p) the Borrower causes or allows hazardous materials to be brought upon any lands or premises occupied by the Borrower or to be incorporated into any of its assets, or the Borrower causes, permits, or fails to remedy any environmental contamination upon, in or under any of its lands or assets, or fails to comply with any abatement or remediation order given by a responsible authority; or
- (q) any permit, license, certification, quota or order granted to or held by the Borrower is cancelled, revoked or reduced, as the case may be, or any order against the Borrower is enforced, preventing the business of the Borrower from being carried on for more than 5 days or materially adversely changing the condition (financial or otherwise) of the Borrower's business; or
- (r) if an individual, the Borrower dies or is declared incompetent by a court of competent jurisdiction.

14.2 The floating charge created by this Security Agreement over Real Property shall become a fixed charge upon the earliest of:

- (a) the occurrence of an event described in Clause 14.1(a), (b), (c), (d), (e) or (f), or
- (b) BDC taking any action pursuant to Clause 15 to enforce and realize on the Security Interests;

and for the better securing to BDC repayment of the Obligations the Borrower mortgages to BDC all of the

Borrower's estate and interest in the Real Property.

15. ENFORCEMENT

(If a default occurs, BDC has numerous remedies and legal rights, including enforcement of the Security Agreement according to this Clause. You also have rights, provided by the *Personal Property Security Act* and the common law in your jurisdiction.)

- 15.1 If the Borrower is in default under this Security Agreement BDC may declare any or all of the Obligations whether or not payable on demand to become immediately due and payable and the Security Interests will immediately become enforceable. To enforce and realize on the Security Interests BDC may take any action permitted by law or in equity as it may deem expedient and in particular, without limitation, BDC may do any of the following:
- (a) appoint by instrument a receiver, manager, receiver and manager or receiver-manager (the "Receiver") of all or any part of the Collateral, with or without bond as BDC may determine, and in its absolute discretion remove such Receiver and appoint another in its stead;
 - (b) enter upon any of the Borrower's premises at any time and take possession of the Collateral with power to exclude the Borrower, its agents and its servants, without becoming liable as a mortgagee in possession;
 - (c) preserve, protect and maintain the Collateral and make such replacements and repairs and additions to the Collateral as BDC deems advisable;
 - (d) dispose of all or part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained and on such terms as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to BDC may seem reasonable, provided that if any sale, lease or other disposition is on credit the Borrower will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies are actually received;
 - (e) register assignments of the Intellectual Property, and use, sell, assign, license or sub-license any of the Intellectual Property; and
 - (f) exercise all of the rights and remedies of a secured party under the Act and any other applicable laws.
- 15.2 A Receiver appointed pursuant to this Security Agreement insofar as responsibility for its actions is concerned shall be the agent of the Borrower and not of BDC and, to the extent permitted by law or to such lesser extent permitted by its appointment, shall have all the powers of BDC under this Security Agreement, and in addition shall have power to:
- (a) carry on the Borrower's business and to borrow money either secured or unsecured, and if secured by granting a security interest on the Collateral, such security interest may rank before or on an equal basis with or behind any of the Security Interests and if it does not so specify such security interest shall rank in priority to the Security Interests; and
 - (b) make an assignment for the benefit of the Borrower's creditors or a proposal on behalf of the Borrower under the *Bankruptcy and Insolvency Act* (Canada); and
 - (c) commence, continue or defend proceedings in the name of the Receiver or in the name of the Borrower for the purpose of protecting, seizing, collecting, realizing or obtaining possession of or payment for the Collateral; and
 - (d) make any arrangement or compromise that the Receiver deems expedient.
- 15.3 Subject to the claims, if any, of the creditors of the Borrower ranking in priority to this Security Agreement, all amounts realized from the disposition of the Collateral pursuant to this Security Agreement will be applied as BDC, in its absolute discretion and to the full extent permitted by law, may direct as follows:



- (a) in payment of all costs, charges and expenses (including legal fees and disbursements on a solicitor and its own client basis) incurred by BDC respecting or incidental to:
 - (i) the exercise by BDC of the rights and powers granted to it by this Security Agreement; and
 - (ii) the appointment of the Receiver and the exercise by the Receiver of the powers granted to it by this Security Agreement, including the Receiver's reasonable remuneration and all outgoings properly payable by the Receiver;
- (b) in or toward payment to BDC of all principal and other monies (except interest) due in respect of the Obligations;
- (c) in or toward payment to BDC of all interest remaining unpaid respecting the Obligations; and
- (d) in payment to those parties entitled thereto under the Act.

16. GENERAL PROVISIONS PROTECTING BDC

(You have granted this Security Agreement to BDC in consideration by BDC advancing funds or providing credit or a credit facility to you. BDC will not be responsible for debts or liabilities that may arise except to the extent that it agrees to be responsible or liable in this Security Agreement. If enforcement becomes necessary, BDC will act in good faith and in a commercially reasonable manner.)

- 16.1 To the full extent permitted by law, BDC shall not be liable for any debts contracted by it during enforcement of this Security Agreement, for damages to persons or property or for salaries or non-fulfilment of contracts during any period when BDC shall manage the Collateral upon entry or seizure, nor shall BDC be liable to account as a mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or for any default or omission for which a mortgagee in possession may be liable. BDC shall not be bound to do, observe or perform or to see to the observance or performance by the Borrower of any obligations or covenants imposed upon the Borrower nor shall BDC, in the case of securities, instruments or chattel paper, be obliged to preserve rights against other persons, nor shall BDC be obliged to keep any of the Collateral identifiable. To the full extent permitted by law, the Borrower waives any provision of law permitted to be waived by it which imposes greater obligations upon BDC than described above.
- 16.2 Neither BDC nor any Receiver appointed by it shall be liable or accountable for any failure to seize, collect, realize, sell or obtain payments for the Collateral nor shall they be bound to institute proceedings for the purposes of seizing, collecting, realizing or obtaining payment or possession of the Collateral or the preserving of any right of BDC, the Borrower or any other party respecting the Collateral. BDC shall also not be liable for any misconduct, negligence, misfeasance by BDC, the Receiver or any employee or agent of BDC or the Receiver, or for the exercise of the rights and remedies conferred upon BDC or the Receiver by this Security Agreement.
- 16.3 BDC or any Receiver appointed by it may grant extensions of time and other indulgences, take and give securities, accept compromises, grant releases and discharges, release any part of the Collateral to third parties and otherwise deal with the debtors of the Borrower, co-obligants, guarantors and others and with the Collateral and other securities as BDC may see fit without liability to the Borrower and without prejudice to BDC's rights respecting the Obligations or BDC's right to hold and realize the Collateral. The Borrower shall not be released nor shall its liability be in any way reduced because BDC has done or concurred in the doing of anything whereby a guarantor would be released in whole or in part.
- 16.4 Notwithstanding anything to the contrary in any security held by BDC for the Obligations, each part is given as additional, concurrent and collateral security to the remainder of the security. BDC in its sole discretion may realize upon or abstain from realizing on any security for the Obligations in any order or concurrently with the realization under this Security Agreement whether such security is held by it at the date of this Security Agreement or is provided at any time in the future. No realization or exercise or abstaining from exercising of any power or right under this Security Agreement or under any other security shall prejudice any further realization or exercise until all Obligations have been fully paid and satisfied.
- 16.5 Any right of BDC and any obligation of the Borrower arising under any other agreements between BDC and the Borrower shall survive the signing, registration and advancement of any money under this Security

Agreement, and no merger respecting any such right or obligation shall occur by reason of this Security Agreement. The obligation, if any, of the Borrower to pay legal fees, a commitment fee, a standby fee or administration fees, under the terms of BDC's commitment letter or Loan Agreement with the Borrower shall survive the signing and registration of this Security Agreement and BDC's advancement of any money to the Borrower and any legal fees, commitment fees, standby fees or administration fees owing by the Borrower shall be secured by the Collateral.

16.6 In the event that BDC registers a notice of assignment of Intellectual Property the Borrower shall be responsible for and shall indemnify BDC against all maintenance and renewal costs in respect thereof, and any costs of initiating or defending litigation, together with all costs, liabilities and damages related thereto.

16.7 Notwithstanding any taking of possession of the Collateral, or any other action which BDC or the Receiver may take, the Borrower now covenants and agrees with BDC that if the money realized upon any disposition of the Collateral is insufficient to pay and satisfy the whole of the Obligations due to BDC at the time of such disposition, the Borrower shall immediately pay to BDC an amount equal to the deficiency between the amount of the Obligations and the sum of money realized upon the disposition of the Collateral, and the Borrower agrees that BDC may bring action against the Borrower for payment of the deficiency, notwithstanding any defects or irregularities of BDC or the Receiver in enforcing its rights under this Security Agreement.

17. APPOINTMENT OF ATTORNEY

(You appoint BDC your attorney for specific matters.)

The Borrower irrevocably appoints BDC or the Receiver, as the case may be, with full power of substitution, as the attorney of the Borrower for and in the name of the Borrower to do, make, sign, endorse or execute under seal or otherwise all deeds, documents, transfers, cheques, instruments, demands, assignments, assurances or consents that the Borrower is obliged to sign, endorse or execute and generally to use the name of the Borrower and to do everything necessary or incidental to the exercise of all or any of the powers conferred on BDC, or the Receiver, as the case may be, pursuant to this Security Agreement. This grant and authority shall survive any mental infirmity of the Borrower subsequent to the execution hereof.

18. CONSOLIDATION

(Should you wish to redeem the Security Interest, BDC may require you to also pay other obligations to it before discharging its Security Interests.)

For the purposes of the laws of all jurisdictions in Canada, the doctrine of consolidation applies to this Security Agreement.

19. NO OBLIGATION TO ADVANCE

(BDC determines, in the end, whether any advances or further advances under the loan facility will be made.)

Neither the preparation and execution of this Security Agreement nor the perfection of the Security Interests or the advance of any monies by BDC shall bind BDC to make any advance or loan or further advance or loan, or extend any time for payment of any indebtedness or liability of the Borrower to BDC.

20. WAIVER

(Indulgences granted by BDC should not be taken for granted.)

BDC may permit the Borrower to remedy any default without waiving the default so remedied. BDC may at any time partially or completely waive any right, benefit or default under this Security Agreement but such waiver shall not be a bar to or a waiver of any such right, benefit or default thereafter, or of any other right, benefit or default under this Security Agreement. No waiver shall be effective unless it is in writing and signed by BDC. No delay or omission on the part of BDC in exercising any right shall operate as a waiver of such right or any other right.

21. NOTICE

(This Clause describes how the various notices referred to in this Security Agreement may be given.)

Notice may be given to either party by prepaid mail or delivered to the party for whom it is intended, at the

principal address of such party provided in this Security Agreement or at such other address as may be given in writing by one party to the other, and any notice if posted shall be deemed to have been given at the expiration of three business days after posting and if delivered, on delivery.

22. EXTENSIONS

(Your duties and responsibilities to BDC remain in place regardless of any concerns you may have about the loan facility or BDC's actions.)

BDC may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges, refrain from perfecting or maintaining perfection of security interests, and otherwise deal with the Borrower, the Borrower's account debtors, sureties and others and with the Collateral and other security interests as BDC may see fit without prejudice to the Borrower's liability or BDC's right to hold and realize on the Security Interests.

23. NO MERGER

(Except as agreed upon in the Security Agreement or another contract specifically discussing this point, this Security Agreement is an independent obligation on your part.)

This Security Agreement shall not create any merger or discharge of any of the Obligations, or any assignment, transfer, guarantee, lien, contract, promissory note, bill of exchange or security interest of any form held or which may be held by BDC now or in the future from the Borrower or from any other person. The taking of a judgment respecting any of the Obligations will not operate as a merger of any of the covenants contained in this Security Agreement.

24. RIGHTS CUMULATIVE

(This Security Agreement describes some rights and remedies of BDC. BDC also is entitled to rely on all other rights and remedies available to it in law and in any other agreements it has entered into with you.)

BDC's rights and remedies set out in this Security Agreement, and in any other security agreement held by BDC from the Borrower or any other person to secure payment and performance of the Obligations, are cumulative and no right or remedy contained in this Security Agreement or any other security agreements is intended to be exclusive but each will be in addition to every other right or remedy now or hereafter existing at law, in equity or by statute, or pursuant to any other agreement between the Borrower and BDC that may be in effect from time to time.

25. ASSIGNMENT

(Should BDC assign or transfer or otherwise deal with this Security Agreement on its own behalf, you agree that the Security Agreement shall remain binding and effective upon you.)

BDC may, without notice to the Borrower, at any time assign or transfer, or grant a security interest in, all or any of the Obligations, this Security Agreement and the Security Interests. The Borrower agrees that the assignee, transferee or secured party, as the case may be, shall have all of BDC's rights and remedies under this Security Agreement and the Borrower will not assert as a defense, counterclaim, right of set-off or otherwise any claim which it now has or may acquire in the future against BDC in respect of any claim made or any action commenced by such assignee, transferee or secured party, as the case may be, and will pay the assigned Obligations to the assignee, transferee or secured party, as the case may be, as the said Obligations become due.

26. SATISFACTION AND DISCHARGE

(Until this Security Agreement is terminated and any registrations relating to it are discharged, the Security Agreement will remain effective even though the indebtedness to BDC may have been paid.)

Any partial payment or satisfaction of the Obligations, or any ceasing by the Borrower to be indebted to BDC shall not be a redemption or discharge of this Security Agreement. The Borrower shall be entitled to a release and discharge of this Security Agreement upon full payment and satisfaction of all Obligations, and upon written request by the Borrower and, subject to applicable law, payment to BDC of an administrative fee to be fixed by BDC and payment of all costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) incurred by BDC in connection with the Obligations and such release and discharge. The Borrower shall, subject to applicable law, pay an administrative fee, to be fixed by BDC, for the preparation or execution of any full or partial release or discharge by BDC of any security it holds, of the

Borrower, or of any guarantor or covenantor with respect to any Obligations.

27. ENVIRONMENT

The Borrower represents and agrees that:

- (a) it operates and will continue to operate in conformity with all applicable environmental laws, regulations, standards, codes, ordinances and other requirements of any jurisdiction in which it carries on business and will ensure its staff is trained as required for that purpose;
- (b) it has an environmental emergency response plan and all officers and employees are familiar with that plan and their duties under it;
- (c) it possesses and will maintain all environmental licences, permits and other governmental approvals as may be necessary to conduct its business and maintain the Collateral;
- (d) the Collateral and Real Property are and will remain free of environmental damage or contamination;
- (e) there has been no complaint, prosecution, investigation or proceeding, environmental or otherwise, respecting the Borrower's business or assets including without limitation the Collateral;
- (f) it will advise BDC immediately upon becoming aware of any environmental problems relating to its business or the Collateral;
- (g) it will provide BDC with copies of all communications with environmental officials and all environmental studies or assessments prepared for the Borrower and it consents to BDC contacting and making enquiries of environmental officials or assessors;
- (h) it will not install on or under any land mortgaged to BDC storage tanks for petroleum products or any hazardous substance without BDC's prior written consent and only upon full compliance with BDC's requirements and local ordinances or regulations;
- (i) it will from time to time when requested by BDC provide to BDC evidence of its full compliance with the Borrower's obligations in this Clause 27.

28. ENUREMENT

This Security Agreement shall enure to the benefit of BDC and its successors and assigns, and shall be binding upon the Borrowers and its heirs, executors, administrators, successors and any assigns permitted by BDC, as the case may be.

29. INTERPRETATION

29.1 In this Security Agreement:

- (a) "Collateral" has the meaning set out in Clause 1 and any reference to the Collateral shall, unless the context otherwise requires, be deemed to be a reference to the Collateral in whole or in part;
- (b) "the Act" means the *Personal Property Security Act* of the jurisdiction in which the business centre of BDC is located, as described on page 1 of this Security Agreement, and all regulations under the Act, as amended from time to time.

29.2 Words and expressions used in this Security Agreement that have been defined in the Act shall be interpreted in accordance with their respective meanings given in the Act unless otherwise defined in this Security Agreement or unless the context otherwise requires.

29.3 The invalidity or unenforceability of the whole or any part of any clause of this Security Agreement shall not affect the validity or enforceability of any other clause or the remainder of such clause of this Security

Agreement.

- 29.4 The headings used in this Security Agreement have been inserted for convenience of reference only and shall not define, limit, alter or enlarge the meaning of any provision of this Security Agreement.
- 29.5 This Security Agreement shall be governed by the laws of the jurisdiction referred to in Subclause 29.1(b). For enforcement purposes, the Borrower hereby attorns to the jurisdiction of the courts and laws of any province, state, territory or country in which BDC enforces its rights and remedies hereunder.

30. COPY OF AGREEMENT AND FINANCING STATEMENT

The Borrower:

- (a) acknowledges receiving a copy of this Security Agreement; and
- (b) If the Act so permits, waives all rights to receive from BDC a copy of any financing statement or financing change statement filed, or any verification statement or other document received at any time respecting this Security Agreement.

31. TIME

Time shall in all respects be of the essence.

32. INDEPENDENT ADVICE

The Borrower acknowledges having received, or having had the opportunity to receive, independent legal and accounting advice respecting this Security Agreement and its effect.

33. SASKATCHEWAN LAW

If the Borrower is a corporation, the Borrower agrees as follows:

- (a) that the *Land Contracts (Actions) Act* of Saskatchewan shall have no application to any action, as defined in the *Land Contracts (Actions) Act* of Saskatchewan, respecting this Security Agreement, any mortgage, charge or other security for the payment of money made, given or created by this Security Agreement, any agreement or instrument which renews or extends or is collateral to this Security Agreement, or the rights, powers or remedies of BDC under this Security Agreement or any mortgage or charge created by this Security Agreement as BDC is specifically exempted from the operation of that Act;
- (b) that the *Limitation of Civil Rights Act* of Saskatchewan shall have no application to this Security Agreement, any mortgage, charge or other security for the payment of money made, given or created by this Security Agreement, any agreement or instrument which renews or extends or is collateral to this Security Agreement, or the rights, powers or remedies of BDC under this Security Agreement or any mortgage or charge created by this Security Agreement; and
- (c) that if it is an agricultural corporation, as defined in the *Saskatchewan Farm Security Act*, it has received independent legal advice prior to the execution of this Security Agreement, and agrees that the provisions of Part IV of the *Saskatchewan Farm Security Act*, other than Section 46, shall not apply to the Borrower.

34. PARENTHETICAL COMMENTS

The Borrower acknowledges and agrees that the comments in parentheses are intended to provide a brief but not thorough indication of the intent of the legal provisions that follow in each subsequent clause, and do not form part of this Security Agreement.

AFFIDAVIT OF OFFICER OF CORPORATION

CANADA) I, _____
PROVINCE OF) of the City of _____
TO WIT:) in the Province of _____

MAKE OATH AND SAY:

1. That I am the _____ of the Borrower,
2. That I subscribed my name to the annexed agreement in my capacity as _____ an officer of the Borrower as aforesaid.
3. That I am one of the persons duly authorized to subscribe my name as aforesaid.

SWORN before me at the _____ of)
_____, in the Province of)
_____, this _____)
day of _____, _____) _____

A Commissioner for Oaths/Notary Public
in and for the Province of _____
My commission expires: _____

AFFIDAVIT OF EXECUTION

CANADA) I, _____
PROVINCE OF) of the City of _____
TO WIT:) in the Province of _____

MAKE OATH AND SAY:

1. That I was personally present and did see the within instrument executed by _____ of the parties thereto.
2. That the said instrument was executed at the _____ of _____ aforesaid.
3. That I know the said party(ies) and am satisfied that she/he is (they are each) of the full age of eighteen/nineteen years.
4. That I am a subscribing witness to the said instrument and duplicate.

SWORN before me at the _____ of)
_____, in the Province of)
_____, this _____)
day of _____, _____) _____

A Commissioner for Oaths/Notary Public
in and for the Province of _____
My commission expires: _____



SCHEDULE A

Subclause 1.1 (a) (vii):

the following specific items, even though they may be included within the descriptions of Collateral (insert description by item or kind):

ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY

the following serial numbered goods:

| Type | Serial No. (re: motor vehicles & trailers) Dept. of Transport No. (re: aircraft) | Year | Make and Model |
|------|---|------|----------------|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

Subclause 6.1 (c):

Date of Birth of Borrower (if an individual):

Month

Day

Year

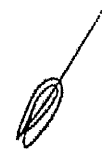
Subclause 6.1 (i):

Location(s) of the Collateral:

Subclause 6.1 (k):

The Borrower's place(s) of business ("POB") and chief executive office ("CEO")

| | |
|-------------------------|-----------------------------------|
| Chief Executive Office: | Box 2258 Sundre Alberta T0M 1X0 |
| Place of Business: | |
| And: | BOX 2258, SUNDRE, ALBERTA T0M 1X0 |
| | |





GUARANTEE

GUARANTOR: MICHAEL JAMES GANSER
Of Box 603, Provost, Alberta T0B 3S0

MARK EDMUND HALDANE
Of Box 2258, Sundre, Alberta T0M 1X0


JOINTLY AND SEVERALLY the "Guarantor"

CREDITOR: Business Development Bank of Canada "BDC"

DEBTOR: 1872806 ALBERTA LTD. the "Borrower"

DEBT: \$1,560,000.00 the "Principal Sum"

LIMIT OF LIABILITY: \$500,000.00 (if not limited say "Unlimited") the "Limited Amount"

DATED:  10th September 10, 2015

BDC BUSINESS CENTRE: Alberta the "Governing Jurisdiction"
(Province/Territory)

IN CONSIDERATION of BDC agreeing to make a loan to the Borrower of the Principal Sum, the Guarantor covenants with BDC as follows:

1. DEBT AND SECURITY

In this guarantee, "Loan Security" means all accepted letters of offer, loan agreements, promissory notes, debentures, mortgages, hypothecations, pledges, assignments and security agreements of any kind which BDC may hold at any time as security for the payment of the Principal Sum and all agreements amending, extending or renewing those security instruments. The Guarantor has read all of the Loan Security held by BDC as of the date of this guarantee.

2. GUARANTEE

The Guarantor unconditionally guarantees performance by the Borrower of all promises under the Loan Security and payment by the Borrower of the Principal Sum, protective disbursements, interest and other amounts the Borrower has promised to pay under the Loan Security (the foregoing amounts collectively are called the "Outstanding Balance"). The Guarantor also promises to pay to BDC all legal fees and disbursements, on a solicitor and client basis, incurred by BDC in reference to any suit upon this guarantee. The liability of the Guarantor under this guarantee does not exceed the Limited Amount plus legal expenses plus interest on the Limited Amount at the rate provided under the Loan Security calculated and compounded monthly from the date BDC demands payment under this guarantee.

This guarantee shall be a continuing guarantee and the obligations guaranteed hereunder shall include all present and future indebtedness and liabilities of the Borrower to BDC under the Loan Security, of any nature whatsoever, and whether incurred by the Borrower alone or with others.

3. LIABILITY AS PRINCIPAL DEBTOR

As between BDC and the Guarantor, the Guarantor is liable as principal debtor for all of the Borrower's covenants contained in the Loan Security notwithstanding any act or omission of the Borrower or of BDC which might otherwise operate as a partial or absolute discharge of the Guarantor if the Guarantor were only a surety.

4. LIABILITY NOT DIMINISHED BY ACTS OF THE BANK OR THE BORROWER

Except for payment of all sums due under the Loan Security, payment of the amount due under this guarantee or written discharge, no act or omission of BDC or of the Borrower, before or after default, discharges or diminishes the liability of the Guarantor under this guarantee and without restricting the foregoing, the Guarantor covenants with BDC as follows:

- (a) BDC may grant time and other indulgences to the Borrower, to a Guarantor and to any other person liable for all or any portion of the Principal Sum;
- (b) BDC may modify, extend or renew (in either case, on the then current, or on new, terms), exchange, abstain from perfecting, discharge or abandon the Loan Security or any part of it or anything mortgaged or charged by it;
- (c) BDC may enter into any agreement with the Borrower to vary the terms of any agreement affecting the payment or repayment of Principal Sum, including a change in the rate of interest chargeable on the Principal Sum;
- (d) BDC may enter into any agreement or accept any compromise that has the effect of diminishing or extinguishing the liability of the Borrower to BDC or the value of the Loan Security or the value of anything mortgaged by it;
- (e) BDC need not ascertain or enforce compliance by the Borrower or any other person with any covenant under the Loan Security;



- (f) BDC bears no responsibility for any neglect or omission with respect to anything mortgaged under the Loan Security, either during possession by the Borrower or by any third party or by BDC or by anyone on behalf of BDC;
- (g) BDC is not bound to seek recourse against the Borrower before requiring payment from the Guarantor and BDC may enforce its various remedies under this guarantee and the Loan Security or any part of it at any time, in any manner and in any order as BDC may choose;
- (h) BDC bears no duty to the Guarantor in respect of the liquidation of anything mortgaged under the Loan Security and, without restricting the foregoing, it is under no duty to avoid waste of, to obtain a fair price for or to avoid neglect in the liquidation of anything mortgaged under the Loan Security;
- (i) BDC has no obligation to ensure that any Loan Security, other guarantee or security collateral to a guarantee is executed, perfected or delivered and, if by reason of want of authority or failure of execution and delivery or failure to comply with laws respecting perfection and registration of instruments or any other reason, any intended Loan Security, guarantee or collateral security is not granted, is unenforceable or becomes unenforceable, the liability of the Guarantor under this guarantee remains enforceable and undiminished; and
- (j) The Guarantor confirms and agrees that any modifications of the loan terms or Loan Security may be agreed upon directly between BDC and the Borrower without notice to the Guarantor and without the Guarantor's further concurrence.

5. SUBROGATION

The Guarantor shall not be subrogated in any manner to any right of BDC until all money due to BDC under the Loan Security is paid.

6. RELEASE

If more than one person guarantees any of the obligations of the Borrower to BDC under this guarantee or any other instrument, BDC may release any of those persons on any terms BDC chooses and each person executing this guarantee who has not been released shall remain liable to BDC under this guarantee as if the person so released had never guaranteed any of the obligations of the Borrower.

7. PAYMENT AND REMEDYING DEFAULTS

The Guarantor shall pay the amount guaranteed or rectify any default immediately upon receiving a demand from BDC and shall do so whether or not BDC has exhausted its recourses against the Borrower, other parties, the Loan Security or anything mortgaged under the Loan Security. A demand is effectually made when a letter is posted to the address of the Guarantor last known to BDC.

8. NO COLLATERAL AGREEMENTS OR REPRESENTATIONS

Any agreement between BDC and the Guarantor diminishing the liability of the Guarantor under this guarantee, altering any term of this guarantee or imposing any condition against the operation of any such term is of no further force or effect. Any representation made by BDC having such effect is waived. The Guarantor warrants that there are no agreements, representations or conditions that have been relied upon by the Guarantor that are not expressed in this guarantee.

9. CHANGES MUST BE IN WRITING

This guarantee may only be amended by writing executed by BDC. No agreement has the effect of diminishing or discharging the liability of the Guarantor under this guarantee unless the agreement is in writing and executed by BDC. The Guarantor shall not rely upon any future representation made by BDC in respect of the liability of the Guarantor under this guarantee unless such representation is in writing executed by BDC.



10. JOINT AND SEVERAL LIABILITY

Where this guarantee has been executed by more than one person, the liability of the persons executing this guarantee is joint and several and every reference in this guarantee to the "Guarantor" shall be construed as meaning each person who has executed it as well as all of them. This guarantee is binding on those who have executed it notwithstanding that it may remain unexecuted by any other person.

11. JURISDICTION

The laws of the Governing Jurisdiction shall govern the enforcement of this Guarantee and the Guarantor agrees to submit to the jurisdiction of the Courts of the Governing Jurisdiction.

12. ASSIGNS

This guarantee is binding upon the Guarantor and the Guarantor's heirs, executors, administrators, successors and assigns and shall enure to the benefit of BDC, its successors and assigns. BDC may assign this guarantee.

13. COUNTERPARTS

This guarantee may be executed in any number of counterparts each of which shall be deemed an original with the same effect as if the signatures thereto and hereto were upon the same instrument. Delivery of an executed counterpart of a signature page of this guarantee by telecopy shall be effective as delivery of a manually executed counterpart of this guarantee.

Executed, Sealed and Delivered by MICHAEL JAMES GANSER and MARK EDMUND HALDANE in the presence of:

MICHAEL S. HALL
Name

5018 - 50 Avenue, Lloydminster, AB T9V 0W7
Address

Lawyer
Occupation
(as to all signatures)

MICHAEL JAMES GANSER

MARK EDMUND HALDANE

SOLICITOR'S CERTIFICATE

I certify that I subscribed to the execution of this instrument by the persons or person whose signature appears beside my subscription only after satisfying myself that the person read and understood this instrument, ascertaining that the person had received independent legal advice where necessary and seeing the instrument executed, sealed and delivered.

MICHAEL S. HALL, Solicitor

FORM
GUARANTEES ACKNOWLEDGMENT ACT
(Section 3)
CERTIFICATE

I HEREBY CERTIFY THAT:

1. **MICHAEL JAMES GANSER** of Provost, in the Province of Alberta, the Guarantor in the guarantee dated ~~June~~ ^{JMSH} ~~September 10~~, 2015, made between BUSINESS DEVELOPMENT BANK OF CANADA, MICHAEL JAMES GANSER and MARK EDMUND HALDANE which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he had executed the guarantee;
2. I satisfied myself by examination of him that he is aware of the contents of the guarantee and understands it.

CERTIFIED by MICHAEL S. HALL, Lawyer, at the City of Lloydminster, in the Province of Alberta, this 10 day of ~~June~~ ^{September}, 2015. *JMSH*

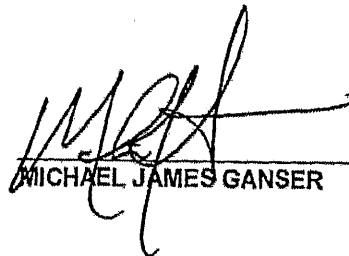


MICHAEL S. HALL

I declare that I am a lawyer entitled to practice law in the jurisdiction in which this certificate has been executed

STATEMENT OF GUARANTOR

I am the person named in this certificate.



MICHAEL JAMES GANSER


FORM
GUARANTEES ACKNOWLEDGMENT ACT
(Section 3)

CERTIFICATE

I HEREBY CERTIFY THAT:

1. **MARK EDMUND HALDANE** of Sundre, in the Province of Alberta, the Guarantor in the guarantee dated June September, 2015, made between BUSINESS DEVELOPMENT BANK OF CANADA, MICHAEL JAMES GANSER and MARK EDMUND HALDANE which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he had executed the guarantee;
2. I satisfied myself by examination of him that he is aware of the contents of the guarantee and understands it.

CERTIFIED by MICHAEL S. HALL, Lawyer, at the City of Lloydminster, in the Province of Alberta, this 10 day of September, 2015.

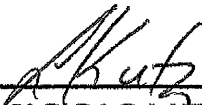

MICHAEL S. HALL
I declare that I am a lawyer entitled to practice law in the jurisdiction in which this certificate has been executed

STATEMENT OF GUARANTOR

I am the person named in this certificate.


MARK EDMUND HALDANE

THIS IS EXHIBIT "18"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Financial Statements
December 31, 2019
(Unaudited)

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Contents
For the year ended December 31, 2019
(Unaudited)

Page

Management's Responsibility

Review Engagement Report

Financial Statements

Balance Sheet..... 1

Statement of Earnings and Retained Earnings..... 3

Statement of Cash Flows..... 5

Notes to the Financial Statements..... 6

Schedule 1 - Schedule of Kwik-Fab Energy Services..... 13

Schedule 2 - Schedule of Mountainview Eco-Products..... 14

Management's Responsibility

To the Shareholders of 1823741 Alberta Ltd. o/a Kwik-Fab Energy Services:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for private enterprises. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

Management is responsible for overseeing management in the performance of its financial reporting responsibilities. Management fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with external accountants.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the shareholders to review the financial statements and report directly to them; their report follows. The external accountants have full and free access to, and meet periodically and separately with, both the Board and management to discuss their review engagement results.

September 18, 2020

Management

Management

Independent Practitioner's Review Engagement Report

To the Shareholders of 1823741 Alberta Ltd. o/a Kwik-Fab Energy Services:

We have reviewed the accompanying financial statements of 1823741 Alberta Ltd. o/a Kwik-Fab Energy Services that comprise the balance sheet as at December 31, 2019, and the statements of earnings and retained earnings and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for private enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of 1823741 Alberta Ltd. o/a Kwik-Fab Energy Services as at December 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

Lloydminster, Saskatchewan

September 18, 2020

MNP LLP

Chartered Professional Accountants

MNP

MEH 215

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Balance Sheet
As at December 31, 2019
(Unaudited)

| | 2019 | 2018 |
|--|-----------|-----------|
| Assets | | |
| Current | | |
| Cash | 68,128 | 72,749 |
| Marketable securities <i>(Note 3)</i> | 231,153 | 104,266 |
| Accounts receivable <i>(Note 4)</i> | 1,234,995 | 589,626 |
| Inventory <i>(Note 5)</i> | 84,849 | 152,704 |
| | 1,619,125 | 919,345 |
| Property and equipment <i>(Note 6)</i> | 689,835 | 614,246 |
| Advances to related parties <i>(Note 7)</i> | 94,766 | 79,766 |
| | 2,403,726 | 1,613,357 |

Continued on next page

The accompanying notes are an integral part of these financial statements

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Balance Sheet

As at December 31, 2019
(Unaudited)

| | 2019 | 2018 |
|---|-------------|-------------|
| Liabilities | | |
| Current | | |
| Accounts payable | 494,929 | 335,758 |
| Source deductions payable | 21,073 | 21,731 |
| GST payable | 30,423 | 30,480 |
| Corporate income taxes payable | 120,070 | 57,025 |
| Deferred revenue | 148,890 | 148,890 |
| Future income taxes payable | 37,606 | - |
| Payable to shareholders <i>(Note 8)</i> | 148,002 | - |
| Advances from related parties <i>(Note 9)</i> | 145,920 | - |
| Current portion of long-term debt <i>(Note 10)</i> | 95,542 | 89,991 |
| Current portion of capital lease obligations <i>(Note 11)</i> | 24,535 | 32,304 |
| | 1,266,990 | 716,179 |
| Long-term debt <i>(Note 10)</i> | 145,523 | 241,065 |
| Capital lease obligations <i>(Note 11)</i> | 88,015 | - |
| Payable to shareholders <i>(Note 8)</i> | - | 163,752 |
| Advances from related parties <i>(Note 9)</i> | - | 145,920 |
| | 1,500,528 | 1,266,916 |
| Subsequent events <i>(Note 12)</i> | | |
| Shareholders' Equity | | |
| Share capital <i>(Note 13)</i> | 1,000 | 1,000 |
| Retained earnings | 902,198 | 345,441 |
| | 903,198 | 346,441 |
| | 2,403,726 | 1,613,357 |

Approved on behalf of the Board

Director

The accompanying notes are an integral part of these financial statements

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Statement of Earnings and Retained Earnings
For the year ended December 31, 2019
(Unaudited)

| | 2019 | 2018 |
|---|------------------|---------------|
| Sales (Schedule 1), (Schedule 2) | 5,304,918 | 5,630,906 |
| Cost of sales (Schedule 1), (Schedule 2) | | |
| Purchases | 1,561,265 | 1,858,917 |
| Direct labour | 1,011,725 | 1,116,614 |
| Subcontracts | 767,953 | 825,280 |
| Freight | 57,219 | 87,116 |
| | 3,398,162 | 3,887,927 |
| Gross margin | 1,906,756 | 1,742,979 |
| <i>Gross margin as a percentage of sales</i> | <i>35.9 %</i> | <i>31.0 %</i> |
| Expenses (Schedule 1 Schedule 2) | | |
| Amortization | 150,437 | 138,118 |
| Bad debts | 150,000 | 243,851 |
| Rent | 144,000 | 144,000 |
| Travel | 137,902 | 167,948 |
| Repairs and maintenance | 130,532 | 94,005 |
| Fuel | 129,561 | 100,309 |
| Utilities | 81,942 | 79,411 |
| Insurance | 72,860 | 42,577 |
| Property taxes | 28,361 | 58,597 |
| Amortization on capital leases | 21,450 | 9,637 |
| Interest on long-term debt | 17,415 | 22,643 |
| Office | 16,004 | 15,916 |
| Professional fees | 15,332 | 22,544 |
| Advertising and promotion | 14,361 | 17,207 |
| Meals and entertainment | 14,311 | 10,921 |
| Interest and bank charges | 9,764 | 15,703 |
| Interest on capital leases | 9,078 | 583 |
| Telephone | 6,194 | 4,692 |
| Business taxes and licences | 3,825 | 10,408 |
| | 1,153,329 | 1,199,070 |
| Earnings from operations | 753,427 | 543,909 |

Continued on next page

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Statement of Earnings and Retained Earnings
For the year ended December 31, 2019
(Unaudited)

| | 2019 | 2018 |
|---|-----------------|-----------|
| Earnings from operations <i>(Continued from previous page)</i> | 753,427 | 543,909 |
| Other income (expense) | | |
| Interest income | 12,000 | - |
| Gain on disposal of property and equipment | 1,830 | - |
| Patronage income | 641 | - |
| Unrealized loss on marketable securities | (53,465) | (38,401) |
| | (38,994) | (38,401) |
| Earnings before income tax | 714,433 | 505,508 |
| Provision for income taxes | | |
| Current | 120,070 | 57,025 |
| Future | 37,606 | - |
| | 157,676 | 57,025 |
| Net earnings | 556,757 | 448,483 |
| Retained earnings (deficit), beginning of year | 345,441 | (103,042) |
| Retained earnings, end of year | 902,198 | 345,441 |

The accompanying notes are an integral part of these financial statements

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Statement of Cash Flows
For the year ended December 31, 2019
(Unaudited)

| | 2019 | 2018 |
|---|------------------|------------------|
| Cash provided by (used for) the following activities | | |
| Operating activities | | |
| Net earnings | 556,757 | 448,483 |
| Amortization | 171,887 | 147,755 |
| Future income taxes | 37,606 | - |
| Loss on disposal of property and equipment | (1,830) | - |
| Unrealized loss on marketable securities | 53,464 | 38,401 |
| | 817,884 | 634,639 |
| Changes in working capital accounts | | |
| Accounts receivable | (646,117) | (302,417) |
| Inventory | 67,855 | (65,193) |
| Accounts payable | 159,171 | (2,940) |
| Source deductions payable | (658) | (54,024) |
| GST payable | (57) | 22,210 |
| Corporate income taxes payable | 63,045 | 57,025 |
| Deferred revenue | - | 148,890 |
| | 461,123 | 438,190 |
| Financing activities | | |
| Repayments of long-term debt | (89,991) | (84,763) |
| Repayments of capital lease obligations | (62,754) | (31,941) |
| Advances from shareholders | - | 31,500 |
| | (152,745) | (85,204) |
| Investing activities | | |
| Purchases of property and equipment | (120,504) | (218,836) |
| Proceeds on disposal of property and equipment | 2,857 | - |
| Purchase of marketable securities | (195,352) | (142,667) |
| | (312,999) | (361,503) |
| Decrease in cash resources | (4,621) | (8,517) |
| Cash resources, beginning of year | 72,749 | 81,266 |
| Cash resources, end of year | 68,128 | 72,749 |

The accompanying notes are an integral part of these financial statements

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Notes to the Financial Statements
For the year ended December 31, 2019
(Unaudited)

1. Incorporation and operations

1823741 Alberta Ltd. o/a Kwik-Fab Energy Services (the "Company") was incorporated under the The Alberta Business Corporations Act on May 22, 2014. The Company performs machine fabrication as well as the production and supply of landscaping products.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for private enterprises set out in Part II of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less.

Marketable securities

Marketable securities with prices quoted in an active market are measured at fair value while those that are not quoted in an active market are measured at cost less impairment.

Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the first-in, first-out method. Cost of inventories of items that are segregated for specific projects is assigned by using specific identification of their individual costs. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

Property and equipment

Property and equipment are initially recorded at cost. Amortization is provided using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives.

| | <i>Method</i> | <i>Rate</i> |
|------------------------|----------------------|--------------------|
| Automotive | declining balance | 30 % |
| Equipment | declining balance | 20 % |
| Leasehold improvements | declining balance | 10 % |
| Buildings | declining balance | 4 % |
| Computer equipment | declining balance | 55 % |

Amortization is recorded at one-half the full rate in the year of acquisition and none in the year of disposal.

Long-lived assets

Long-lived assets consist of property and equipment. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Company performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted future cash flows from its use and disposal. If the carrying amount is not recoverable, impairment is then measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using quoted market prices. Any impairment is included in earnings for the year.

2. Significant accounting policies *(Continued from previous page)*

Leases

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation is recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair market value. Assets under capital leases are amortized using the declining balance method, over their estimated useful lives. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

An arrangement contains a lease where the arrangement conveys a right to use the underlying tangible asset, and whereby its fulfillment is dependent on the use of the specific tangible asset. After the inception of the arrangement, a reassessment of whether the arrangement contains a lease is made only in the event that:

- there is a change in contractual terms;
- a renewal option is exercised or an extension is agreed upon by the parties to the arrangement;
- there is a change in the determination of whether the fulfillment of the arrangement is dependent on the use of the specific tangible asset; or
- there is a substantial physical change to the specified tangible asset.

Financial instruments

The Company recognizes its financial instruments when the Company becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with CPA Canada Section 3840 Related Party Transactions (refer to Note 15).

At initial recognition, the Company may irrevocably elect to subsequently measure any financial instrument at fair value. The Company has not made such an election during the year. All financial assets and liabilities are subsequently measured at amortized cost or cost.

The Company subsequently measures investments in equity instruments quoted in an active market at fair value. Investments in equity instruments not quoted in an active market, are subsequently measured at cost less impairment. All other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in net earnings. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Financial asset impairment:

The Company assesses impairment of all its financial assets measured at cost or amortized cost. The Company groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group, there are numerous assets affected by the same factors, or when no asset is individually significant. Management considers market values and prices for similar items in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Company determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Company reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year earnings.

The Company reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in net earnings in the year the reversal occurs.

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Notes to the Financial Statements
For the year ended December 31, 2019
(Unaudited)

2. **Significant accounting policies** (Continued from previous page)

Revenue recognition

The Company recognizes revenue as services are performed, all significant contractual obligations have been satisfied, and collectability is reasonably assured.

Retail sales are recognized at point of sale or when goods are shipped to customers and collectability is reasonably assured. Installation and other service revenue is recognized as the services are performed.

Future Income taxes

The Company accounts for income taxes using the future income taxes method. Under this method, future income tax assets and liabilities are recorded based on temporary differences between the carrying amount of balance sheet items and their corresponding tax bases. In addition, the future benefits of income tax assets, including unused tax losses, are recognized, subject to a valuation allowance, to the extent that it is more likely than not that such future benefits will ultimately be realized. Future income tax assets and liabilities are measured using substantively enacted tax rates and laws expected to apply when the tax liabilities or assets are to be either settled or realized.

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with Canadian accounting standards for private enterprises requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of property and equipment.

The calculation of future income tax is based on assumptions, which are subject to uncertainty as to timing and which tax rates are expected to apply when temporary differences reverse. Future income tax recorded is also subject to uncertainty regarding the magnitude of non-capital losses available for carryforward and of the balances in various tax pools as the corporate tax returns have not been prepared as of the date of financial statement preparation. By their nature, these estimates are subject to measurement uncertainty, and the effect on the financial statements from changes in such estimates in future years could be significant.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the periods in which they become known.

3. **Marketable securities**

| | 2019 | 2018 |
|--|-----------------|-------------|
| Measured at cost: | | |
| Cielo Waste Solutions Corp - Convertible Debentures (\$50,000 with a conversion stock price of \$0.06, and \$75,000 with a conversion stock price of \$0.08) | 125,000 | - |
| Fair Value Adjustment | | |
| Cielo Waste Solutions Corp. | 198,019 | 142,667 |
| Unrealized loss on marketable securities | (91,866) | (38,401) |
| | 106,153 | 104,266 |
| | 231,153 | 104,266 |

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Notes to the Financial Statements
For the year ended December 31, 2019
(Unaudited)

4. Accounts receivables

| | 2019 | 2018 |
|---|------------------------|----------------------|
| Trade receivables - Kwik-Fab Energy Services | 1,411,262 | 631,764 |
| Trade receivables - Mountainview Eco-Products | 173,733 | 157,862 |
| <hr/> | | |
| Allowance for doubtful accounts | 1,584,995 (350,000) | 789,626 (200,000) |
| <hr/> | | |
| | 1,234,995 | 589,626 |

5. Inventory

| | 2019 | 2018 |
|---------------------------------------|---------------|----------------|
| Materials - Kwik-Fab Energy Services | 33,033 | 33,033 |
| Materials - Mountainview Eco-Products | 51,816 | 119,671 |
| <hr/> | | |
| | 84,849 | 152,704 |

The cost of inventories recognized as an expense and included in cost of sales amounted to \$1,561,265 (2018 - \$1,858,917).

6. Property and equipment

| | Cost | Accumulated amortization | 2019 Net book value | 2018 Net book value |
|--------------------------------|------------------|-----------------------------|---------------------------|---------------------------|
| Automotive | 441,783 | 193,521 | 248,262 | 241,851 |
| Equipment | 514,612 | 217,311 | 297,301 | 316,512 |
| Buildings | 22,600 | 452 | 22,148 | - |
| Computer equipment | 26,708 | 26,134 | 574 | 1,275 |
| <hr/> | | | | |
| | 1,005,703 | 437,418 | 568,285 | 559,638 |
| Assets under capital lease | | | | |
| Automotive under capital lease | 143,000 | 21,450 | 121,550 | 54,608 |
| <hr/> | | | | |
| | 1,148,703 | 458,868 | 689,835 | 614,246 |

During the year, property and equipment were acquired at an aggregate cost of \$333,112 (2018 - \$283,080), of which \$143,000 (2018 - \$64,245) was acquired by means of capital leases and \$190,112 (2018 - \$218,835) was acquired in cash.

7. Advances to related parties

The advances to related parties are unsecured, bear no interest and has no fixed terms of repayment. 1872806 Alberta Ltd. is controlled by the shareholders of the Company.

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Notes to the Financial Statements
For the year ended December 31, 2019
(Unaudited)

8. Payable to shareholders

Amounts owing to shareholders are unsecured, non-interest bearing, and have no fixed terms of repayment.

9. Advances from related parties

The advances from related parties are unsecured, bear no interest, and has no fixed terms of repayment. 1156336 Alberta Ltd. is controlled by a shareholder of the Company.

10. Long-term debt

| | 2019 | 2018 |
|---|----------------|----------------|
| Prairie Mulch & Bedding Company Ltd. loan - due in monthly instalments of \$8,951 including interest of 6%, maturing in May 2022. Secured by equipment with a net book value of \$244,322 (2018 - \$310,460). | 241,065 | 331,056 |
| Less: current portion of long-term debt | 95,542 | 89,991 |
| | 145,523 | 241,065 |

Principal repayments on long-term debt in each of the next three years are estimated as follows:

| | |
|------|---------|
| 2020 | 95,542 |
| 2021 | 101,434 |
| 2022 | 44,089 |

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Notes to the Financial Statements
For the year ended December 31, 2019
(Unaudited)

11. Capital lease obligations

| | 2019 | 2018 |
|--|---------------|----------|
| Arundel lease - due in monthly instalments of \$3,571 including interest of 18%, maturing in July 2023. Secured by equipment with a net book value of \$121,550. | 112,550 | - |
| 641575 Alberta Ltd. lease - repaid in the current year. | - | 32,304 |
| Less: current portion | 24,535 | 32,304 |
| | 88,015 | - |

Future minimum lease payments related to the obligation under capital lease are as follows:

| | |
|------------------------|----------|
| 2020 | 42,856 |
| 2021 | 42,856 |
| 2022 | 42,856 |
| 2023 | 25,000 |
| Less: imputed interest | (41,018) |
| | 112,550 |
| Less: current portion | (24,535) |
| | 88,015 |

12. Subsequent events

Accounts Receivable

Subsequent to the date of the financial statements, the Company converted \$1,000,000 of outstanding receivables due from Cielo Waste Solutions Corp, to a note receivable, secured by Cielo's assets and charging interest of 7% per annum.

Covid-19

Subsequent to year-end, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on 1823741 Alberta Ltd. as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence.

These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may cause reduced customer demand, supply chain disruptions, staff shortages, and increased government regulations, all of which may negatively impact the Company's business and financial condition.

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Notes to the Financial Statements
For the year ended December 31, 2019
(Unaudited)

13. Share capital

| | 2019 | 2018 |
|---------------------|-------|-------|
| Issued | | |
| Common shares | | |
| 100 Class A, voting | 1,000 | 1,000 |

14. Financial instruments

The Company, as part of its operations, carries a number of financial instruments. It is management's opinion that the Company is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Credit concentration

As at December 31, 2019, one customer accounted for 85% (2018 - one customer for 67%) of the total accounts receivable. The Company believes that there is no unusual exposure associated with the collection of these receivables. The Company performs regular credit assessments of its customers and provides allowances for potentially uncollectible accounts receivable.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company enters into transactions to borrow funds from financial institutions or other creditors, for which repayment is required at various maturity dates.

15. Related party transactions

During the year, the Company rented property from 1872806 Alberta Ltd, a related entity with common control, for \$144,000 (2018 - \$144,000). The transaction was in the normal course of operations and was measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

During the year, the Company leased automotive equipment from 641575 Alberta Ltd, an entity controlled by a shareholder of the Company, for \$32,524 (2018 - \$32,524). The transaction was in the normal course of operations and was measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

During the year, the Company paid managerial fees to 641575 Alberta Ltd., an entity controlled by a shareholder in the Company for \$135,000 (2018 - \$130,000). The transaction was in the normal course of operations and was measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Schedule 1 - Schedule of Kwik-Fab Energy Services
For the year ended December 31, 2019
(Unaudited)

| | 2019 | 2018 |
|---------------------------------|------------------|------------------|
| Sales | 3,163,091 | 3,473,579 |
| Cost of Sales | | |
| Purchases | 770,006 | 995,898 |
| Direct labour | 605,300 | 781,818 |
| Subcontracts | 561,429 | 638,602 |
| Freight | 25,563 | 13,116 |
| | 1,962,298 | 2,429,434 |
| Gross Margin | 1,200,793 | 1,044,145 |
| Expenses | | |
| Bad debts | 150,000 | 243,851 |
| Travel | 137,598 | 167,657 |
| Amortization | 56,991 | 49,374 |
| Fuel | 32,893 | 36,957 |
| Rent | 28,800 | 28,800 |
| Utilities | 21,520 | 22,401 |
| Repairs and maintenance | 20,361 | 18,737 |
| Insurance | 20,356 | 4,832 |
| Property taxes | 13,454 | 16,190 |
| Meals and entertainment | 12,577 | 10,357 |
| Professional fees | 10,841 | 17,317 |
| Telephone | 5,165 | 3,738 |
| Advertising and promotion | 3,365 | 6,854 |
| Office | 3,258 | 2,788 |
| Interest and bank charges | 1,775 | 4,706 |
| Business taxes and licenses | 245 | 6,910 |
| Interest on capital leases | 221 | 584 |
| | 519,420 | 642,051 |
| Earnings from operations | 681,373 | 402,094 |

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Schedule 2 - Schedule of Mountainview Eco-Products
For the year ended December 31, 2019
(Unaudited)

| | 2019 | 2018 |
|--|------------------|------------------|
| Sales | 2,141,827 | 2,157,327 |
| Cost of Sales | | |
| Purchases | 791,259 | 863,019 |
| Wages | 406,428 | 334,796 |
| Subcontracts | 206,524 | 186,678 |
| Freight | 31,656 | 74,000 |
| | 1,435,864 | 1,458,493 |
| Gross Margin | 705,963 | 698,834 |
| Expenses | | |
| Rent | 115,200 | 115,200 |
| Repairs and maintenance | 110,174 | 75,269 |
| Fuel | 96,668 | 63,352 |
| Amortization on property and equipment | 93,446 | 88,744 |
| Utilities | 60,422 | 57,010 |
| Insurance | 52,504 | 37,745 |
| Amortization on capital leases | 21,450 | 9,637 |
| Interest on long-term debt | 17,415 | 22,643 |
| Property taxes | 14,907 | 42,408 |
| Office | 12,746 | 13,128 |
| Advertising and promotion | 10,996 | 10,353 |
| Interest on capital leases | 8,857 | - |
| Interest and bank charges | 7,989 | 10,997 |
| Professional fees | 4,491 | 5,228 |
| Business taxes and licences | 3,580 | 3,498 |
| Meals and entertainment | 1,731 | 564 |
| Telephone | 1,030 | 953 |
| Travel | 303 | 291 |
| | 633,909 | 557,020 |
| Earnings from operations | 72,054 | 141,814 |

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Financial Statements
December 31, 2020
(Unaudited - see Notice to Reader)

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Contents

For the year ended December 31, 2020
(Unaudited - see Notice to Reader)

Page

Notice to Reader

Financial Statements

Balance Sheet..... 1

Statement of Earnings and Retained Earnings..... 2

Notes to the Financial Statements..... 4

Schedule 1 - Schedule of Kwik-Fab Energy Services..... 7

Schedule 2 - Schedule of Mountainview Eco-Products..... 8

Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of 1823741 Alberta Ltd. as at December 31, 2020 and the statements of earnings and retained earnings for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Lloydminster, Saskatchewan

June 30, 2021

MNP **LLP**

Chartered Professional Accountants

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Balance Sheet

As at December 31, 2020
(Unaudited - see Notice to Reader)

| | 2020 | 2019 |
|--|------------------|------------------|
| Assets | | |
| Current | | |
| Cash | 56,140 | 68,128 |
| Marketable securities <i>(Note 1)</i> | 245,307 | 231,153 |
| Accounts receivable | 621,396 | 1,234,995 |
| Inventory | 90,853 | 84,850 |
| | 1,013,696 | 1,619,126 |
| Property and equipment <i>(Note 2)</i> | 524,294 | 689,835 |
| Notes receivable | 1,000,000 | - |
| Advances to related parties | 94,766 | 94,766 |
| | 2,632,756 | 2,403,727 |
| Liabilities | | |
| Current | | |
| Accounts payable | 301,377 | 494,930 |
| Source deductions payable | 10,139 | 21,073 |
| GST payable | 5,517 | 30,423 |
| Corporate income taxes payable | 107,122 | 120,070 |
| Deferred revenue | - | 148,890 |
| Future income taxes payable | 23,991 | 37,606 |
| Payable to shareholders | 148,002 | 148,002 |
| Advances from related parties | 321,270 | 145,920 |
| Current portion of long-term debt <i>(Note 3)</i> | 101,434 | 95,542 |
| Current portion of capital lease obligations <i>(Note 4)</i> | 29,349 | 24,535 |
| | 1,048,201 | 1,266,991 |
| Long-term debt <i>(Note 3)</i> | 84,090 | 145,523 |
| Capital lease obligations <i>(Note 4)</i> | 58,657 | 88,015 |
| | 1,190,948 | 1,500,529 |
| Shareholders' Equity | | |
| Share capital <i>(Note 5)</i> | 1,000 | 1,000 |
| Retained earnings | 1,440,808 | 902,198 |
| | 1,441,808 | 903,198 |
| | 2,632,756 | 2,403,727 |

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Statement of Earnings and Retained Earnings
For the year ended December 31, 2020
(Unaudited - see Notice to Reader)

| | 2020 | 2019 |
|---|------------------|------------------|
| Sales (Schedule 1), (Schedule 2) | 4,414,981 | 5,304,918 |
| Cost of sales (Schedule 1), (Schedule 2) | | |
| Subcontracts | 1,036,190 | 767,953 |
| Purchases | 1,004,006 | 1,561,265 |
| Direct labour | 773,091 | 1,011,725 |
| Freight | 36,391 | 57,219 |
| | 2,849,678 | 3,398,162 |
| Gross margin | 1,565,303 | 1,906,756 |
| <i>Gross margin as a percentage of sales</i> | <i>35.5 %</i> | <i>35.9 %</i> |
| Expenses (Schedule 1 Schedule 2) | | |
| Bad debts | 150,000 | 150,000 |
| Rent | 144,000 | 144,000 |
| Amortization | 136,001 | 150,437 |
| Repairs and maintenance | 102,852 | 130,532 |
| Fuel | 90,016 | 129,561 |
| Utilities | 86,019 | 81,942 |
| Insurance | 78,258 | 72,860 |
| Travel | 52,749 | 137,902 |
| Amortization on capital leases | 36,465 | 21,450 |
| Property taxes | 28,177 | 28,361 |
| Interest on capital leases | 18,312 | 9,078 |
| Meals and entertainment | 16,887 | 14,311 |
| Office | 14,012 | 16,004 |
| Professional fees | 13,605 | 15,332 |
| Interest on long-term debt | 11,865 | 17,415 |
| Interest and bank charges | 11,289 | 9,764 |
| Business taxes and licences | 8,331 | 3,825 |
| Telephone | 5,614 | 6,194 |
| Advertising and promotion | 2,123 | 14,361 |
| | 1,006,575 | 1,153,329 |
| Earnings from operations | 558,728 | 753,427 |

Continued on next page

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Statement of Earnings and Retained Earnings
For the year ended December 31, 2020
(Unaudited - see Notice to Reader)

| | 2020 | 2019 |
|---|------------------|-----------------|
| Earnings from operations <i>(Continued from previous page)</i> | 558,728 | 753,427 |
| Other income (expense) | | |
| Interest income | 46,667 | 12,000 |
| Unrealized gains (losses) on marketable securities | 14,154 | (53,465) |
| Temporary wage subsidy | 12,568 | - |
| Patronage income | - | 641 |
| Gain on disposal of assets | - | 1,830 |
| | 73,389 | (38,994) |
| Earnings before income tax | 632,117 | 714,433 |
| Provision for (recovery of) income taxes | | |
| Current | 107,122 | 120,070 |
| Future | (13,615) | 37,606 |
| | 93,507 | 157,676 |
| Net earnings | 538,610 | 556,757 |
| Retained earnings, beginning of year | 902,198 | 345,441 |
| Retained earnings, end of year | 1,440,808 | 902,198 |

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Notes to the Financial Statements
For the year ended December 31, 2020
(Unaudited - see Notice to Reader)

1. Marketable securities

| | <i>2020</i> | <i>2019</i> |
|--|-----------------|-------------|
| Measured at cost: | | |
| Cielo Waste Solutions Corp - Convertible Debentures (\$50,000 with a conversion stock price of \$0.06, and \$75,000 with a conversion stock price of \$0.08) | 125,000 | 125,000 |
| <hr/> | | |
| Fair Value Adjustment: | | |
| Cielo Waste Solutions Corporation | 198,019 | 198,019 |
| Unrealized loss on marketable securities | (77,712) | (91,866) |
| <hr/> | | |
| | 120,307 | 106,153 |
| <hr/> | | |
| | 245,307 | 231,153 |
| <hr/> | | |

2. Property and equipment

| | <i>Cost</i> | <i>Accumulated amortization</i> | <i>2020 Net book value</i> | <i>2019 Net book value</i> |
|--------------------------------|------------------|-------------------------------------|------------------------------------|------------------------------------|
| Automotive | 445,148 | 268,504 | 176,644 | 248,262 |
| Buildings | 22,600 | 1,338 | 21,262 | 22,148 |
| Computer equipment | 26,708 | 26,450 | 258 | 574 |
| Equipment | 518,172 | 277,127 | 241,045 | 297,301 |
| <hr/> | | | | |
| | 1,012,628 | 573,419 | 439,209 | 568,285 |
| <hr/> | | | | |
| Assets under capital lease | | | | |
| Automotive under capital lease | 143,000 | 57,915 | 85,085 | 121,550 |
| <hr/> | | | | |
| | 1,155,628 | 631,334 | 524,294 | 689,835 |
| <hr/> | | | | |

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Notes to the Financial Statements
For the year ended December 31, 2020
(Unaudited - see Notice to Reader)

3. Long-term debt

| | 2020 | 2019 |
|--|----------------|----------------|
| Prairie Mulch & Bedding Company Ltd. loan - due in monthly instalments of \$8,951 including interest of 6%, maturing in May 2022. | 145,524 | 241,065 |
| Connect First Credit Union - Canadian Emergency Business Account loan - bearing interest at 0% until December 31, 2020 with no required principle repayments. Commencing January 2023 monthly only interest payments at 5% are required on any principle and over-due interest balances outstanding. Principle repayment(s) can be made at the discretion of the company at any time prior to the due date. Principle repayment is due in full at December 31, 2025. | 40,000 | - |
| | <u>185,524</u> | <u>241,065</u> |
| Less: current portion of long-term debt | <u>101,434</u> | <u>95,542</u> |
| | <u>84,090</u> | <u>145,523</u> |

Principal repayments on long-term debt in each of the next two years are estimated as follows:

| | |
|------|---------|
| 2021 | 101,434 |
| 2022 | 84,090 |

4. Capital lease obligations

| | 2020 | 2019 |
|---|---------------|---------------|
| Arundel lease - due in monthly instalments of \$3,571 including interest of 18%, maturing in July 2023. | 88,006 | 112,550 |
| Less: current portion | <u>29,349</u> | <u>24,535</u> |
| | <u>58,657</u> | <u>88,015</u> |

Future minimum lease payments related to the obligation under capital lease are as follows:

| | |
|------------------------|-----------------|
| 2021 | 42,856 |
| 2022 | 42,856 |
| 2023 | 24,999 |
| | <u>110,711</u> |
| Less: imputed interest | <u>(22,705)</u> |
| | 88,006 |
| Less: current portion | <u>(29,349)</u> |
| | <u>58,657</u> |

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Notes to the Financial Statements
For the year ended December 31, 2020
(Unaudited - see Notice to Reader)

5. Share capital

| | <i>2020</i> | <i>2019</i> |
|---------------------|--------------|--------------|
| Issued | | |
| Common shares | | |
| 100 Class A, voting | 1,000 | 1,000 |

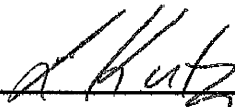
1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Schedule 1 - Schedule of Kwik-Fab Energy Services
For the year ended December 31, 2020
(Unaudited - see Notice to Reader)

| | 2020 | 2019 |
|---------------------------------|------------------|------------------|
| Sales | 2,705,064 | 3,163,091 |
| Cost of Sales | | |
| Subcontracts | 644,295 | 561,429 |
| Purchases | 504,410 | 770,006 |
| Direct Labour | 476,232 | 605,300 |
| Freight | 18 | 25,563 |
| | 1,624,955 | 1,962,298 |
| Gross Margin | 1,080,108 | 1,200,793 |
| Expenses | | |
| Management fees | 167,000 | - |
| Bad debts | 150,000 | 150,000 |
| Amortization | 51,281 | 56,991 |
| Travel | 46,882 | 137,598 |
| Insurance | 32,242 | 20,356 |
| Rent | 28,800 | 28,800 |
| Fuel | 23,124 | 32,893 |
| Utilities | 21,873 | 21,520 |
| Repairs and maintenance | 12,827 | 20,361 |
| Meals and entertainment | 12,281 | 12,577 |
| Property taxes | 5,672 | 13,454 |
| Professional fees | 5,401 | 10,841 |
| Telephone | 4,393 | 5,165 |
| Interest and bank charges | 3,445 | 1,775 |
| Business taxes and licenses | 2,898 | 245 |
| Office | 2,804 | 3,258 |
| Advertising and promotion | 1,402 | 3,365 |
| Interest on capital leases | - | 221 |
| | 572,325 | 519,420 |
| Earnings from operations | 507,783 | 681,373 |

1823741 Alberta Ltd.
O/A Kwik-Fab Energy Services
Schedule 2 - Schedule of Mountainview Eco-Products
For the year ended December 31, 2020
(Unaudited - see Notice to Reader)

| | 2020 | 2019 |
|--|------------------|------------------|
| Sales | 1,709,917 | 2,141,827 |
| Cost of Sales | | |
| Purchases | 499,595 | 791,259 |
| Wages | 296,859 | 406,428 |
| Subcontracts | 224,895 | 206,524 |
| Freight | 36,373 | 31,656 |
| | 1,057,722 | 1,435,864 |
| Gross Margin | 652,195 | 705,963 |
| Expenses | | |
| Rent | 115,200 | 115,200 |
| Repairs and maintenance | 90,025 | 110,174 |
| Amortization on property and equipment | 84,720 | 93,446 |
| Fuel | 66,893 | 98,668 |
| Utilities | 64,146 | 60,422 |
| Insurance | 46,017 | 52,504 |
| Amortization on capital leases | 36,465 | 21,450 |
| Property taxes | 22,505 | 14,907 |
| Interest on capital leases | 18,312 | 8,857 |
| Interest on long-term debt | 11,865 | 17,415 |
| Office | 11,208 | 12,746 |
| Professional fees | 8,204 | 4,491 |
| Interest and bank charges | 7,843 | 7,989 |
| Travel | 5,867 | 303 |
| Business taxes and licenses | 5,433 | 3,580 |
| Meals and entertainment | 4,606 | 1,731 |
| Telephone | 1,221 | 1,030 |
| Advertising and promotions | 720 | 109,966 |
| | 601,250 | 633,909 |
| Earnings from operations | 50,945 | 72,054 |

THIS IS EXHIBIT "19"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta



MILLER THOMSON
AVOCATS | LAWYERS

MILLER THOMSON LLP
700 - 9TH AVENUE S.W., SUITE 3000
CALGARY, AB T2P 3V4
CANADA

T 403.298.2400
F 403.262.0007

MILLERTHOMSON.COM

March 31, 2021

DELIVERED VIA REGISTERED MAIL

1872806 Alberta Ltd.
c/o Registered Office
5018 - 50 Avenue
Lloydminster, AB T9V 0W7

Nicole T. Taylor-Smith
Direct Line: 403.298.2401
ntaylorsmith@millerthomson.com

File: 0189999.0234

Dear Sirs:

Re: Demand for Payment Loan provided by Business Development Bank of Canada ("BDC") - Loan No. 089614-01

We are the lawyers for BDC. We are advised by BDC that you are in default under the terms of the security for the subject loan and BDC has invoked the acceleration clause contained in the security and demands repayment of the loan in full.

The amount due and payable calculated to March 31, 2021, is as follows:

| | Loan No. 01 |
|----------------|-----------------------|
| Principal | \$1,237,600.00 |
| Interest | \$19,630.27 |
| TOTAL | \$1,257,230.27 |
| Daily Interest | \$164.68 |

Daily interest and legal costs continue to accrue and must be paid calculated to the date of payment. Interest is compounded monthly and the daily interest amount will increase as a result. Payment can be made to our office by bank draft or wire transfer. Please contact our office prior to payment to obtain the updated amount to be paid.

Unless payment is received by the close of business on **April 14, 2021**, BDC will take whatever action it deems advisable to recover the amounts owing. Such action may include realization of any or all of the security BDC holds in respect of the amounts owing. Please find enclosed a Notice of Intention to Enforce Security issued in accordance with the *Bankruptcy and Insolvency Act*.

Yours truly,
MILLER THOMSON LLP

Per: 

Nicole T. Taylor-Smith
Partner

Enclosure

c. Guarantors
c. BDC

NOTICE OF INTENTION TO ENFORCE A SECURITY

To: 1872806 ALBERTA LTD., an insolvent corporation

Take notice that:

1. BUSINESS DEVELOPMENT BANK OF CANADA, a secured creditor, intends to enforce its security on the property of the insolvent corporation described below:

ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE
INSOLVENT CORPORATION

LANDS LEGALLY DESCRIBED AS:

PLAN 0611068

BLOCK 1

LOT 1

EXCEPTING THEREOUT ALL MINES AND MINERALS

2. The security that is to be enforced is the following:

Security interest granted per General Security Agreement dated September 10, 2015.

Mortgage granted under the *Land Titles Act* dated September 10, 2015 registered at Alberta Land Titles as Instrument No. 151 253 086.

General Assignment of Rentals dated September 10, 2015, registered by Caveat at Alberta Land Titles as Instrument No. 151 253 087.

3. The total amount of indebtedness secured by the security as at March 31, 2021, is \$1,257,230.27 plus legal costs.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10 day period following the sending of this notice, unless the insolvent corporation consents to an earlier enforcement.

Dated at Calgary, Alberta on March 31, 2021.

BUSINESS DEVELOPMENT BANK OF CANADA

Per: 

By its authorized agent and legal counsel,
Nicole T. Taylor-Smith, Barrister and Solicitor

THIS IS EXHIBIT "20"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta



MILLER THOMSON
AVOCATS | LAWYERS

MILLER THOMSON LLP
700 - 9TH AVENUE S.W., SUITE 3000
CALGARY, AB T2P 3V4
CANADA

T 403.298.2400
F 403.262.0007

MILLERTHOMSON.COM

March 31, 2021

Nicole T. Taylor-Smith
Direct Line: 403.298.2401
ntaylor-smith@millerthomson.com

File: 0189999.0234

DELIVERED VIA REGISTERED MAIL

1823741 Alberta Ltd. carrying on business as
Kwik-Fab Energy Services
c/o Registered Office
5018 – 50 Avenue
Lloydminster, AB T9V 0W7

Dear Sirs:

Re: Demand for Payment

We are the lawyers for Business Development Bank of Canada ("BDC"). 1823741 Alberta Ltd. provided a guarantee to BDC for the indebtedness of 1872806 Alberta Ltd. (the "Borrower"). The Borrower has defaulted in its obligations to BDC. As such, we have issued a demand letter to the Borrower a copy of which is enclosed for your reference.

On behalf of BDC we hereby demand payment from 1823741 Alberta Ltd. for the satisfaction of its guarantee obligations which as at March 31, 2021 total **\$1,257,230.27** plus any and all costs incurred by BDC including legal costs. Interest continues to accrue at the current per diem rate of \$164.68. Please contact our office prior to payment so that we can provide you with the current balance then outstanding. Please send payment in the form of a bank draft payable to Miller Thomson LLP in Trust to:

Miller Thomson LLP, Attention: Nicole Taylor-Smith
3000, 700 – 9th Avenue SW
Calgary, AB T2P 3V4

Unless payment is received by the close of business on **April 14, 2021**, BDC will take whatever action it deems advisable to recover the amounts owing. Such action may include realization of any or all of the security BDC holds in respect of the amounts owing. Please find enclosed a Notice of Intention to Enforce Security issued in accordance with the *Bankruptcy and Insolvency Act*.

Yours truly,

MILLER THOMSON LLP

Per: 

Nicole T. Taylor-Smith,
Partner
Enclosures
c. BDC (via email)

NOTICE OF INTENTION TO ENFORCE A SECURITY

To: 1823741 ALBERTA LTD., an insolvent corporation

Take notice that:

1. BUSINESS DEVELOPMENT BANK OF CANADA, a secured creditor, intends to enforce its security on the property of the insolvent corporation described below:

ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE
INSOLVENT CORPORATION

2. The security that is to be enforced is the following:

Security interest granted per General Security Agreement dated September 10, 2015.

3. The total amount of indebtedness secured by the security as at March 31, 2021, is \$1,257,230.27 plus legal costs.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10 day period following the sending of this notice, unless the insolvent corporation consents to an earlier enforcement.

Dated at Calgary, Alberta on March 31, 2021.

BUSINESS DEVELOPMENT BANK OF CANADA

Per: 

By its authorized agent and legal counsel,
Nicole T. Taylor-Smith, Barrister and Solicitor



MILLER THOMSON
 AVOCATS | LAWYERS

MILLER THOMSON LLP
 700 - 9TH AVENUE S.W., SUITE 3000
 CALGARY, AB T2P 3V4
 CANADA

T 403.298.2400
 F 403.262.0007

MILLERTHOMSON.COM

March 31, 2021

Nicole T. Taylor-Smith
 Direct Line: 403.298.2401
 ntailorsmith@millerthomson.com

COPY

DELIVERED VIA REGISTERED MAIL

File: 0189999.0234

1872806 Alberta Ltd.
 c/o Registered Office
 5018 - 50 Avenue
 Lloydminster, AB T9V 0W7

Dear Sirs:

Re: Demand for Payment Loan provided by Business Development Bank of Canada ("BDC") - Loan No. 089614-01

We are the lawyers for BDC. We are advised by BDC that you are in default under the terms of the security for the subject loan and BDC has invoked the acceleration clause contained in the security and demands repayment of the loan in full.

The amount due and payable calculated to March 31, 2021, is as follows:


| | Loan No. 01 |
|----------------|-----------------------|
| Principal | \$1,237,600.00 |
| Interest | \$19,630.27 |
| TOTAL | \$1,257,230.27 |
| Daily Interest | \$164.68 |

Daily interest and legal costs continue to accrue and must be paid calculated to the date of payment. Interest is compounded monthly and the daily interest amount will increase as a result. Payment can be made to our office by bank draft or wire transfer. Please contact our office prior to payment to obtain the updated amount to be paid.

Unless payment is received by the close of business on **April 14, 2021**, BDC will take whatever action it deems advisable to recover the amounts owing. Such action may include realization of any or all of the security BDC holds in respect of the amounts owing. Please find enclosed a Notice of Intention to Enforce Security issued in accordance with the *Bankruptcy and Insolvency Act*.

Yours truly,
 MILLER THOMSON LLP

Per:


 Nicole T. Taylor-Smith
 Partner
 Enclosure
 c. Guarantors
 c. BDC

NOTICE OF INTENTION TO ENFORCE A SECURITY

To: 1872806 ALBERTA LTD., an insolvent corporation

Take notice that:

1. BUSINESS DEVELOPMENT BANK OF CANADA, a secured creditor, intends to enforce its security on the property of the insolvent corporation described below:

ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE
INSOLVENT CORPORATION

LANDS LEGALLY DESCRIBED AS:
PLAN 0611068
BLOCK 1
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS

2. The security that is to be enforced is the following:

Security interest granted per General Security Agreement dated September 10, 2015.

Mortgage granted under the *Land Titles Act* dated September 10, 2015 registered at Alberta Land Titles as Instrument No. 151 253 086.

General Assignment of Rentals dated September 10, 2015, registered by Caveat at Alberta Land Titles as Instrument No. 151 253 087.

3. The total amount of indebtedness secured by the security as at March 31, 2021, is \$1,257,230.27 plus legal costs.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10 day period following the sending of this notice, unless the insolvent corporation consents to an earlier enforcement.

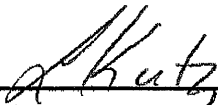
Dated at Calgary, Alberta on March 31, 2021.

BUSINESS DEVELOPMENT BANK OF CANADA

Per: 

By its authorized agent and legal counsel,
Nicole T. Taylor-Smith, Barrister and Solicitor

THIS IS EXHIBIT "21"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta



MILLER THOMSON
AVOCATS | LAWYERS

MILLER THOMSON LLP
700 - 9TH AVENUE S.W., SUITE 3000
CALGARY, AB T2P 3V4
CANADA

T 403.298.2400
F 403.262.0007

MILLERTHOMSON.COM

March 31, 2021

Nicole T. Taylor-Smith
Direct Line: 403.298.2401
ntaylor-smith@millerthomson.com

DELIVERED VIA REGISTERED MAIL

File: 0189999.0234

Michael James Ganser
Box 603
Provost, AB T0B 3S0

Mark Edmund Haldane
Box 2258
Sundre, AB T0M 1X0

Dear Sirs:

Re: Demand for Payment

We are the lawyers for Business Development Bank of Canada ("BDC"). You provided a joint and several guarantee to BDC for the indebtedness of 1872806 Alberta Ltd. (the "Borrower"). The Borrower has defaulted in its obligations to BDC. As such, we have issued a demand letter to the Borrower a copy of which is enclosed for your reference.

On behalf of BDC we hereby demand payment from you for the satisfaction of your guarantee obligations which as at March 31, 2021 total **\$500,000.00** plus interest from the date of demand at the floating base rate established by BDC from time to time plus a variance of 0.25% per year calculated and compounded monthly plus any and all costs incurred by BDC including legal costs. Please contact our office prior to payment so that we can provide you with the current balance then outstanding. Please send payment in the form of a bank draft payable to Miller Thomson LLP in Trust to:

Miller Thomson LLP, Attention: Nicole Taylor-Smith
3000, 700 – 9th Avenue SW
Calgary, AB T2P 3V4

Unless payment is received by the close of business on **April 14, 2021**, BDC will take whatever action it deems advisable to recover the amount owing.

Yours truly,

MILLER THOMSON LLP

Per: 

Nicole T. Taylor-Smith,
Partner
Enclosure
c. BDC
53485652.1



MILLER THOMSON
 AVOCATS | LAWYERS

MILLER THOMSON LLP
 700 - 9TH AVENUE S.W., SUITE 3000
 CALGARY, AB T2P 3V4
 CANADA

T 403 298 2400
 F 403 262.0007

MILLERTHOMSON.COM

March 31, 2021

Nicole T. Taylor-Smith
 Direct Line: 403.298.2401
 ntaylor-smith@millerthomson.com

DELIVERED VIA REGISTERED MAIL

File: 0189999.0234

1872806 Alberta Ltd.
 c/o Registered Office
 5018 - 50 Avenue
 Lloydminster, AB T9V 0W7

Dear Sirs:

Re: Demand for Payment Loan provided by Business Development Bank of Canada ("BDC") - Loan No. 089614-01

We are the lawyers for BDC. We are advised by BDC that you are in default under the terms of the security for the subject loan and BDC has invoked the acceleration clause contained in the security and demands repayment of the loan in full.

The amount due and payable calculated to March 31, 2021, is as follows:

| | Loan No. 01 |
|----------------|-----------------------|
| Principal | \$1,237,600.00 |
| Interest | \$19,630.27 |
| TOTAL | \$1,257,230.27 |
| Daily Interest | \$164.68 |

Daily interest and legal costs continue to accrue and must be paid calculated to the date of payment. Interest is compounded monthly and the daily interest amount will increase as a result. Payment can be made to our office by bank draft or wire transfer. Please contact our office prior to payment to obtain the updated amount to be paid.

Unless payment is received by the close of business on **April 14, 2021**, BDC will take whatever action it deems advisable to recover the amounts owing. Such action may include realization of any or all of the security BDC holds in respect of the amounts owing. Please find enclosed a Notice of Intention to Enforce Security issued in accordance with the *Bankruptcy and Insolvency Act*.

Yours truly,
 MILLER THOMSON LLP

Per:

Nicole T. Taylor-Smith
 Partner
 Enclosure
 c. Guarantors
 c. BDC

NOTICE OF INTENTION TO ENFORCE A SECURITY

To: 1872806 ALBERTA LTD., an insolvent corporation

Take notice that:

1. BUSINESS DEVELOPMENT BANK OF CANADA, a secured creditor, intends to enforce its security on the property of the insolvent corporation described below:

ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE
INSOLVENT CORPORATION

LANDS LEGALLY DESCRIBED AS:

PLAN 0611068

BLOCK 1

LOT 1

EXCEPTING THEREOUT ALL MINES AND MINERALS

2. The security that is to be enforced is the following:

Security interest granted per General Security Agreement dated September 10, 2015.

Mortgage granted under the *Land Titles Act* dated September 10, 2015 registered at Alberta Land Titles as Instrument No. 151 253 086.

General Assignment of Rentals dated September 10, 2015, registered by Caveat at Alberta Land Titles as Instrument No. 151 253 087.

3. The total amount of indebtedness secured by the security as at March 31, 2021, is \$1,257,230.27 plus legal costs.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10 day period following the sending of this notice, unless the insolvent corporation consents to an earlier enforcement.

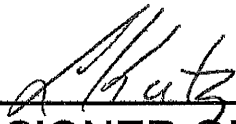
Dated at Calgary, Alberta on March 31, 2021.

BUSINESS DEVELOPMENT BANK OF CANADA

Per: 

By its authorized agent and legal counsel,
Nicole T. Taylor-Smith, Barrister and Solicitor

THIS IS EXHIBIT "22"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

FORBEARANCE AND PRESERVATION OF RIGHTS AGREEMENT

This Agreement made effective this 30th day of April, 2021.

AMONG:

BUSINESS DEVELOPMENT BANK OF CANADA
(herein referred to as "BDC")

OF THE FIRST PART

- and -

1872806 ALBERTA LTD.
(herein referred to as the "Borrower")

OF THE SECOND PART

- and -

1823741 ALBERTA LTD. operating as KWIK-FAB ENERGY SERVICES
(herein referred to as "Kwik-Fab")

OF THE THIRD PART

- and -

MICHAEL JAMES GANSER
(herein referred to as "Ganser")

OF THE FOURTH PART

- and -

MARK EDMUND HALDANE
(herein referred to as "Haldane")

OF THE FIFTH PART

PART I - RECITALS

- A. BDC has made a certain Loan available to the Borrower in accordance with the Loan Agreement described in Schedule "A" hereto;
- B. The Borrower is indebted to BDC for the amounts set forth in Schedule "A" on account of the Loan Agreement;
- C. As consideration for the Loan, the Guarantors provided BDC the Guarantees as described in Schedule "A" hereto;
- D. As security for the Loan and obligations under the Guarantees the Loan Parties have granted this security as described in Schedule "A" hereto;

E. The Loan Parties are in default of their respective obligations with respect to the Loan, the Loan Agreement, the Guarantees and the Security;

F. BDC has issued formal demand for payment to the Loan Parties and the entire amount owing under the Loan is currently due and owing;

G. The Loan Parties have requested that BDC forbear from taking any further realization steps or from the commencement of legal proceedings, to provide the Loan Parties time to resolve a dispute among the shareholders of the Borrower and to reorganize their business affairs and BDC has agreed to this forbearance on the terms and conditions set forth herein, which terms and conditions are acceptable to the Loan Parties;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual promises, covenants and agreements herein contained, the receipt and sufficiency of which are hereby acknowledged by each of the parties, the parties hereto agree with each other as follows:

PART II – DEFINITIONS

1. In this Agreement, including the foregoing Recitals, and the Schedules attached hereto, unless the context otherwise requires, the following words shall have the following meanings:
 - (a) "Agreement" means this Forbearance and Preservation of Rights Agreement;
 - (b) "Indebtedness" means the monies now or hereafter due and owing by the Borrower to BDC as set out in Schedule "A" plus interest which continues to accrue and all costs and expenses incurred by BDC;
 - (c) "BDC Solicitors" means Miller Thomson LLP, 3000, 700 – 9 Avenue SW, Calgary, Alberta T2P 3V4 Attn: Nicole Taylor-Smith, e-mail: ntaylor-smith@millerthomson.com;
 - (d) "BDC" means Business Development Bank of Canada;
 - (e) "Borrower" means 1872806 Alberta Ltd. in its capacity as primary borrower under the Loan Agreement;
 - (f) "Event of Default" means an Event of Default as described in clause 5 of this Agreement;
 - (g) "Forbearance Period" means the forbearance period ending September 30, 2021, which is referred to in clause 4 of this Agreement;
 - (h) "Guarantees" means the guarantees described in Schedule "A" given by the Guarantors to BDC;
 - (i) "Guarantors" means Ganser, Haldane and Kwik-Fab collectively in their capacity as guarantors under the Guarantees;
 - (j) "Lands" means the Lands described in Schedule "A" hereto;

- (k) "Limited Guarantee Indebtedness" means the monies now or hereafter due and owing jointly and severally by Ganser and Haldane to BDC as set out in Schedule "A" plus interest which continues to accrue and all legal fees and disbursements incurred by BDC in connection with the enforcement of the guarantee obligations;
- (l) "Loan" means the Loan described in Schedule "A" hereto, the terms of which include the terms set forth in the Loan Agreement referred to therein, as amended from time to time;
- (m) "Loan Agreement" means the credit agreement, or any similar agreements, between BDC and the Borrower with respect to the Loan, including the Loan Agreement described in Schedule "A" hereto;
- (n) "Loan Parties" means Borrower and the Guarantors collectively;
- (o) "Monthly Payments" means the payments described in clause 8 of this Agreement;
- (p) "Security" means the security granted by the Borrower with respect to the Loan and given by Kwik-Fab for its guarantee obligations as described in Schedule "A" hereto, as may be amended from time to time;

PART III - ACKNOWLEDGEMENT OF INDEBTEDNESS AND VALIDITY OF SECURITY

2. The Loan Parties each acknowledge, confirm and agree that:
- (a) the facts as set out in the recitals to this Agreement are true and accurate in all respects and form an essential part of this Agreement;
 - (b) the Loan Agreement is valid and binding upon the Loan Parties;
 - (c) the Guarantees are valid and binding upon the Guarantors;
 - (d) the Security secures repayment and performance of the obligations of the Borrower and of Kwik-Fab to BDC, and is valid and binding upon the parties that provided the Security in all respects, and is fully enforceable by BDC;
 - (e) the Borrower and Kwik-Fab are jointly and severally indebted to BDC in the amount of the Indebtedness;
 - (f) Haldane and Ganser are indebted to BDC in the amount of the Limited Guarantee Indebtedness;
 - (g) they are in default of their obligations under the Loan Agreement, Loan, Guarantees, and the Security and acknowledge and agree that they have received in a proper form and manner all demands and notices including all required Notices of Intention to Enforce Security pursuant to s. 244(1) of the *Bankruptcy and Insolvency Act* required to be delivered by BDC in order for BDC to enforce the Loan, the Loan Agreement, the Security and the Guarantees, and that no further demands or notices are required; and

- (h) they do not dispute their liability to repay the Indebtedness or Limited Guarantee Indebtedness (as the case may be) on any basis whatsoever, and acknowledge and agree that as at the date of entering into this Agreement, they have no claims for set-off, counterclaim or damages on any basis whatsoever against BDC or any of its directors, officers, employees, representatives and agents.

PART IV – DURATION OF FORBEARANCE

3. BDC agrees to forbear from its enforcement rights with respect to the Loan, the Loan Agreement, the Guarantees and the Security except as expressly contemplated in this Agreement, provided that the Loan Parties comply with the terms of this Agreement.
4. The forbearance of BDC's rights under clause 3 hereof shall remain in full force and effect until the earlier of:
- (a) September 30, 2021, unless extended in writing by BDC in its sole and unfettered discretion; or
 - (b) the date of any Event of Default, including but not limited to a default or breach under this Agreement.
5. An Event of Default means, and shall be deemed to have occurred, if any one of the following occur:
- (a) the non-performance of any obligations of the Loan Parties under this Agreement committed after the date of this Agreement;
 - (b) any party takes legal proceedings or legal action against the Borrower or the Guarantor or any of them or their assets, and in the opinion of BDC acting reasonably, such proceedings or actions will or are likely to prejudice the legal position or security position of BDC; or
 - (c) there is, in the opinion of BDC acting reasonably, any material adverse change in either the legal position or security position of BDC or the financial condition of the Loan Parties.
6. In the event the forbearance granted under this Agreement ends or is terminated as a result of an Event of Default, BDC shall be entitled in accordance with the terms of this Agreement, to take immediate legal action or legal proceedings against the Loan Parties to enforce the Security and recover the Indebtedness. Without limiting the generality of the foregoing, BDC will be entitled but will not be obligated to proceed with whatever legal remedies are available to BDC against the Loan Parties either under the Security or otherwise at law.

PART V – CONDITIONS OF FORBEARANCE

7. As consideration for the forbearance granted by BDC under this Agreement, the Borrower shall upon execution of the Agreement deliver a payment of \$40,594.96 to BDC Solicitors in trust for BDC by solicitor trust cheque, bank draft or electronic funds transfer which payment will be applied to principal and interest due under the Loan.

8. During the Forbearance Period, the Borrower shall make Monthly Payments to BDC in the amount of \$10,500 due on the first day of each month commencing May 1, 2021 and continuing to the expiry of the Forbearance Period by post-dated cheques made payable to "Business Development Bank of Canada". The Monthly Payments will reduce the Indebtedness and be applied first to BDC's costs and expenses, then to any outstanding fees, then to accrued interest, then to principal amounts owing.
9. Notwithstanding any payments made under this Agreement, the Loan will remain in default and all due. The payments contemplated under this Agreement will not reduce the Limited Guarantee Indebtedness.
10. Upon execution of this Agreement and again by September 15, 2021 the Loan Parties shall provide BDC the following information:
 - (a) a list of the tenants/occupants currently occupying the Lands including a description of the business activities of such tenants/occupants;
 - (b) up to date organizational charts for the Borrower and Kwik-Fab including information regarding the officers, directors and shareholders for each; and
 - (c) a current list of directors and shareholders for any tenants/occupants of the Lands.
11. All of the existing terms of the Loan Agreement and Security documents regarding change of control, transfers of property, approval of tenants and other similar provisions will continue to apply notwithstanding anything in this Agreement.
12. The Loan Parties will remain liable to BDC as confirmed in this Agreement notwithstanding any agreements or arrangements that Haldane and Ganser may make as between them in respect of the Borrower and Kwik-Fab.
13. During the Forbearance Period the Borrower shall properly preserve and maintain the Lands including all buildings and structures on the Lands and pay all property taxes, maintenance costs and utilities as they become due.
14. By September 30, 2021, the Loan Parties shall have either:
 - (a) paid out the Loan in full, or
 - (b) negotiated an extension of this Agreement on terms acceptable to BDC or other arrangement with BDC in respect of the Loan, it being acknowledged and agreed that BDC shall have no obligation whatsoever to extend the Forbearance Period, or agree to any other arrangement and that BDC may, in its unfettered discretion, refuse to do so.
15. This Agreement, including the agreement of BDC to forbear, shall not be effective unless and until BDC has received, by no later than April 30, 2021:
 - (a) a copy of this Agreement properly executed by the Loan Parties;
 - (b) \$40,594.96 as required under clause 7 hereof;
 - (c) post-dated cheques for the Monthly Payments; and

(d) the information required under clause 10 hereof.

PART VI - GENERAL PROVISIONS

16. Time shall be of the essence in this Agreement.
17. This Agreement may be altered or amended in writing, but not otherwise.
18. BDC or BDC Solicitors may, in their sole discretion and with or without conditions, in writing, extend the time period relating to the performance of the obligations of the Loan Parties hereunder.
19. No condoning, excusing or waiver by BDC of any default, breach or non-observance by the Loan Parties at any time or times with respect to any covenants or provisions contained in this Agreement shall constitute a waiver by BDC of its rights to act upon such or further default, breach or non-observance.
20. This Agreement, the Loan Agreement and the agreements referenced in this Agreement, constitute the entire agreement between BDC and the Loan Parties, pertaining to the subject matter of this Agreement and cancels and supersedes any other agreements, undertakings, declarations, representations and warranties, written or verbal among all such Parties in respect of the subject matter of this Agreement.
21. For greater certainty and without reducing any current obligations, each of the Loan Parties hereby jointly and severally agree to be liable for and to pay to BDC all legal fees and disbursements (as between a solicitor and own client on a full indemnity basis), in the preparation of and implementation of this Agreement and all assurances required hereby and all steps that may be taken by BDC to recover the amount owing under the Loan.
22. In consideration of the covenants of BDC herein contained, the Loan Parties, and each of them, hereby remise, release and forever discharge BDC, its officers, directors, employees, solicitors and agents of and from all manner of debts, liability, obligations, actions or causes or action, and all costs, charges and expenses which the Loan Parties have had, now have or will in the future have against BDC and the said parties for or by reason of any matter or thing arising out of or connected to the Loan, the Loan Agreement, the Security, and the Guarantees, the Indebtedness, or anything done or omitted to be done by BDC or the other parties hereby released in relation thereto, up to and including the date of execution of this Agreement.
23. The parties hereto undertake and agree to execute such further and other documents and to give such further assurances as may be reasonably required to carry out the full intent and effect of this Agreement.
24. The records of BDC shall be deemed to conclusively establish the outstanding amount of the obligations of the Loan Parties to BDC and of any payment made in respect thereof, and that the default(s) by the Loan Parties in respect thereof and of any notice or demand having been made upon the Loan Parties.
25. The Loan Parties acknowledge that they have been given the opportunity to obtain independent legal advice in relation to the execution of this Agreement and they have received that advice. The Loan Parties further acknowledge that they are executing this

agreement of their own free will and without compulsion or undue influence by BDC or any employee or agent of BDC.

- 26. Pursuant to the Alberta *Limitation Act*, the Loan Parties agree that any limitation periods which are running in connection to the Loan, the Loan Agreement, the Guarantee and the Security and any enforcement actions in connection therewith are hereby extended to a date that is three years from the date that the Forbearance Period is terminated or expires.
- 27. If any one or more of the provisions contained in this Agreement should be determined to be invalid, illegal, or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
- 28. This Agreement shall not take effect until it is executed by all parties hereto. This Agreement may be executed in counterpart and electronically. A facsimile signature or an electronically transmitted signature to this Agreement by any party hereto or their solicitors, shall be as valid as an original signature.
- 29. This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta.
- 30. This Agreement shall be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the date first above mentioned.

BUSINESS DEVELOPMENT BANK OF CANADA

Per: E-SIGNED by Sundeep SIHOTA
on 2021-05-06

Name: _____

Per: E-SIGNED by Tanya Lee
on 2021-05-06

Name: _____

1872806 ALBERTA LTD.

Per: 

Name: MIKE GANSER

1823741 ALBERTA LTD. operating as KWIK-FAB ENERGY SERVICES

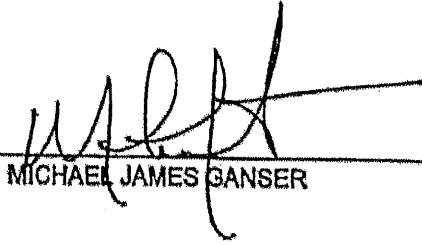
Per: 

Name: MIKE GANSER

SIGNED, SEALED AND DELIVERED
In the presence of



Witness



MICHAEL JAMES GANSER

SIGNED, SEALED AND DELIVERED
In the presence of

Witness

MARK EDMUND HALDANE

SIGNED, SEALED AND DELIVERED
In the presence of

Witness

)
)
)
)
)

MICHAEL JAMES GANSER

SIGNED, SEALED AND DELIVERED
In the presence of



Witness

)
)
)
)
)


MARK EDMUND HALDANE

AFFIDAVIT OF EXECUTION

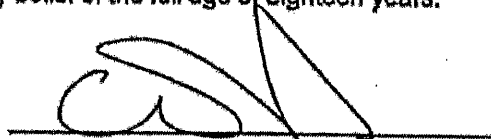
CANADA
PROVINCE OF ALBERTA

)
)
)

I, CHRISTOPHER G. HOOSE,
of the City of Edmonton, in the Province
of Alberta, MAKE OATH AND SAY:

1. I was personally present and did see MICHAEL JAMES GANSER, named in the within instrument, who is personally known to me to be the person named therein, duly sign and execute the same for the purposes named therein.
2. That the same was executed at the City of Edmonton, in the Province of Alberta, and that I am the subscribing witness thereto.
3. That I know the said person and he is in my belief of the full age of eighteen years.

SWORN BEFORE ME at the City of)
Edmonton, Province of Alberta, this)
this 28 day of April, 2021.



A Commissioner for Oaths in and
for the Province of Alberta

Bernice T. L'Hirondelle
A Commissioner for Oaths
in and for Alberta
My Commission Expires Sept. 15, 2023



AFFIDAVIT OF EXECUTION

CANADA
PROVINCE OF ALBERTA
TO WIT:

1. Laura K. Stewardson
^{Town M}
of the City of Sundre
in the Province of Alberta

MAKE OATH AND SAY THAT:

1. I DID WITNESS, through ~~electronic video conferencing~~ ^{AS M}, MARK EDMUND HALDANE named in the attached instrument, who is personally known to me to be the person named therein, duly sign and execute the same for the purposes named therein.

2. THE SAME was executed at the Village of Caroline, in the Province of Alberta, and that I am the subscribing witness thereto.

3. I KNOW the said person and they are, in my belief, of the full age of eighteen (18) years.

4. ~~At the time of witnessing, MARK EDMUND HALDANE was not physically present before me, but was present before me utilizing two-way video technology wherein they showed the front and back of their current government-issued photo identification, whereby I am reasonably satisfied that they are the same person identified therein and that the documents are valid and current.~~ ^{✓ M}

SWORN BEFORE ME at the ^{Town} City of Sundre, in the Province of Alberta, this 30 day of April, 2021.

A COMMISSIONER FOR OATHS
in and for the Province of Alberta

Laura K. Stewardson

TAMMY L. STEVENS
A Commissioner for Oaths
in and for the Province of Alberta
My Commission Expires October 31, 2021

SCHEDULE "A"
LOAN, LOAN AGREEMENT, SECURITY AND INDEBTEDNESS

INDEBTEDNESS UNDER LOAN

The balance owing under the Loan made to the Borrower as at March 31, 2021 was \$1,257,230.27 the further particulars of which are as follows:

| | Loan No. 01 |
|----------------|-----------------------|
| Principal | \$1,237,600.00 |
| Interest | \$19,630.27 |
| TOTAL | \$1,257,230.27 |
| Daily Interest | \$164.68 |

LOAN AGREEMENT, GUARANTEES AND SECURITY

Letter of Offer dated March 30, 2015, and accepted on April 1, 2015, as amended from time to time for Loan 089614-01.

General Security Agreement dated September 10, 2015, given by the Borrower covering all of its present and after-acquired personal property.

General Security Agreement dated September 10, 2015, given by Kwik-Fab covering all of its present and after acquired personal property.

Mortgage granted by the Borrower under the Land Titles Act dated September 10, 2015 registered at Alberta Land Titles as Instrument No. 151 253 086 over lands legally described as:

PLAN 0611068
BLOCK 1
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS

General Assignment of Rentals for the Lands given by the Borrower dated September 10, 2015, registered by Caveat at Alberta Land Titles as Instrument No. 151 253 087.

Guarantee for Loan dated September 10, 2015, given by Kwik-Fab to guarantee the entire balance due and owing by the Borrower under the Loan including all interest and costs.

Guarantee for Loan dated September 01, 2015, given by Ganser and Haldane jointly and severally in the limited amount of \$500,000 plus interest at the interest rate for the Loan from the date that BDC demands payment and costs.

Limited Guarantee Indebtedness is \$500,000 plus interest thereon at the BDC base rate established from time to time plus a variance of 0.25% per year calculated and compounded monthly from March 31, 2021 plus costs.

THIS IS EXHIBIT "23"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

STILLMAN LLP
Barristers and Solicitors



100, 17420 Stony Plain Road NW
Edmonton, Alberta, Canada T5S 1K6
P 780.484.4445 / F 780.484.4184
Canada Toll Free 1.888.258.2529

Writer's Direct Line 780.930.3638
E-Mail: choose@stillmanllp.com

Assistant: Bernice L'Hirondelle
Direct Line: 780.930.3632
Email: blhirondelle@stillmanllp.com

Our File: 37737-4

April 28, 2021

“Via Purolator”

Miller Thomson LLP
Barristers and Solicitors
3000, 700 – 9th Avenue S.W.
Calgary, Alberta
T2P 3V4

Attention: Nicole T. Taylor-Smith

Dear Madam:

Re: BDC and 1823741 Alberta Ltd. and 1872806 Alberta Ltd.

Further to your previous correspondence and the conditions of forbearance set out in the Forbearance Agreement, please find enclosed the following:

- 1) 2 original copies of the Forbearance Agreement duly executed by Michael Ganser on behalf of 1823741 Alberta Ltd., 1872806 Alberta Ltd. and his own behalf. We look forward to receipt of a copy executed by BDC in due course.
- 2) Confirmation of our wire deposit to your account in the sum of \$40,594.96;
- 3) Post-dated cheques commencing May 1, 2021 to September 1, 2021 made payable to BDC in the sum of \$10,500.00 each;
- 4) The Organizational Chart as of the date of this letter for 1872806 Alberta Ltd. is as follows:

Shareholders – Michael Ganser 50% and Mark Haldane 50%
Directors – Michael Ganser and Mark Haldane
President – Mark Haldane
Secretary/Treasurer – Michael Ganser

The Organization Chart as of the date of this letter for 1823741 Alberta Ltd. is as follows:

Shareholders – Michael Ganser 65% and Mark Haldane 35%

Director – Michael Ganser

President/Secretary-Treasurer – Michael Ganser

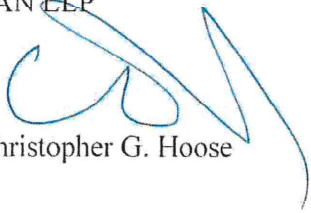
- 5) The only tenant in the premises is currently 1823741 Alberta Ltd. The list of directors and shareholders of 1823741 Alberta Ltd. are above at #4. My client advises that the description of 182's business activities are wood fibre and oilfield manufacturing and fabrication.

Kindly contact the writer to acknowledge receipt of the enclosed materials. We look forward to receipt of a copy of the Agreement duly executed by your client in due course.

Yours truly,

STILLMAN LLP

Per:



Christopher G. Hoose

CGH/btl

Encls.

Wire Payments[Help](#)**Activity List - View Payment Details**[Print this page](#)

| | | | |
|----------------|------------------------|----------------|----------------|
| Template Name: | N/A | | |
| Payment Type: | Payment to Beneficiary | | |
| Payment ID: | 28315210428007 | TD Payment ID: | 210428B3955100 |

Sender Information

TD Bank has populated the sender's name and address based on the settlement account selected. If this information is incorrect, you will need to either contact your relationship manager or your local branch.

Sender Name: STILLMAN LLP
 Street: 17420 STONY PLAIN RD NW SUITE 100
 City: EDMONTON
 Prov/State: ALBERTA - AB Country: CANADA - CA

Beneficiary Information

Beneficiary Name: MILLER THOMSON LLP
 Street: 3000-700 9th Avenue SW
 City: Calgary
 Prov/State: ALBERTA - AB Country: CANADA - CA
 Payment Destination: Other Financial Institution

Beneficiary Account Information

Beneficiary Account Number: 1045717

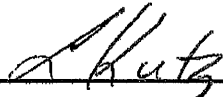
Beneficiary's Bank Information

Beneficiary's Bank Name: Bank of Montreal
 Bank Id: 25159-001-BOFMCAM2
 Street: 595 - 8th Avenue SW
 City: Calgary
 Prov/State: ALBERTA - AB Country: CANADA - CA

| Due Date | Value Date | Payment Must be Sent to Bank Before: | | |
|-----------------------------------|-----------------------------------|--------------------------------------|-------------------|--------------------|
| 04/28/2021 | 04/28/2021 | View Cutoff Table | | |
| Payment Currency | Payment Amount | | | |
| CAD | 40,594.96 | | | |
| Settlement Currency | FX Type/ Contract Number | Exchange Rate | Settlement Amount | Settlement Account |
| CAD | Bulletin | 1.000000 | 40,594.96 | 08318 5276006 |
| Your Reference | | | | |
| 37737-4 | | | | |
| Reason for Wire Payment | | | | |
| Payment for Forbearance Agreement | | | | |
| Instructions | | | | |
| Beneficiary: | Payment for Forbearance Agreement | | | |
| TD Bank: | | | | |

[Back](#)[Print this page](#)

THIS IS EXHIBIT "24"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta



MILLER THOMSON
AVOCATS | LAWYERS

MILLER THOMSON LLP
700 - 9TH AVENUE S.W., SUITE 3000
CALGARY, AB T2P 3V4
CANADA

T 403.298.2400
F 403.262.0007

MILLERTHOMSON.COM

November 5, 2021

Nicole T. Taylor-Smith
Direct Line: 403.298.2401
ntaylor-smith@millerthomson.com

DELIVERED VIA REGISTERED MAIL

File: 0189999.0234

1823741 Alberta Ltd. carrying on business as
Kwik-Fab Energy Services
c/o Registered Office
5018 – 50 Avenue
Lloydminster, AB T9V 0W7

Dear Sirs:

**Re: Notice re Payment of Rent
Assignment of Rents payable to 1872806 Alberta Ltd.
Plan 0611068, Block 1, Lot 1 (the "Lands")**

We are the lawyers for Business Development Bank of Canada ("BDC"). BDC holds a first mortgage against the Lands owned by 1872806 Alberta Ltd. (the "Landlord"). As part of the security given by the Landlord to BDC, the Landlord provided a General Assignment of Rentals (the "Assignment of Rents") which is registered at the Land Titles Office against the Lands. A copy of the Assignment of Rents and Title to the Lands is enclosed for your reference.

The Landlord has defaulted in performance of its obligations to BDC and as a result, BDC is exercising its rights under the Assignment of Rents. According to the records provided to BDC, you have a leasehold interest in the Lands.

Until further notice you are hereby directed to pay all rents now due or accruing due to BDC by cheque payable to "Business Development Bank of Canada" delivered to the below address (if you wish to make payments electronically please advise and we will provide you with deposit instructions):

BDC – Attn: Sundeep Sihota
One Bentall Centre
505 Burrard Street, Suite 200
PO Box 6
Vancouver, BC V7X 1M3

In accordance with the terms of the Assignment of Rents, by paying the rents to BDC you will be fulfilling your obligations under your lease with the Landlord. BDC will account for the rents received to the Landlord and the rents will be applied to the amounts due under the mortgage given by the Landlord to BDC.

Any rents paid to the Landlord (or its agent if any) after this date will result in your continuing liability for such rents. Please note that the BDC's responsibility extends only to collection of rents. All other management functions will continue to be the responsibility of the Landlord.

Should you have any questions or concerns, please contact the undersigned.

Yours truly,

MILLER THOMSON LLP

Per: 

Nicole T. Taylor-Smith,
Partner

Enclosures

- c. BDC (via email)
- c. 1872806 Alberta Ltd. (via legal counsel)





GENERAL ASSIGNMENT OF RENTALS

THIS AGREEMENT dated June September 10, 2015.

BETWEEN:

1872806 ALBERTA LTD. a body corporate pursuant to the laws of the Province of Alberta, of ~~Box 2258, Surva, Alberta T0M 1X0~~ Box 603, Provost, AB T0B 3S0
(hereinafter called the "Borrower")

OF THE FIRST PART

AND:

BUSINESS DEVELOPMENT BANK OF CANADA incorporated by Special Act of the Parliament of Canada, and having its Head Office at the City of Montreal, in the Province of Quebec, with a business centre at Suite 200, 4900 – 50 Street, Red Deer, Alberta T4N 1X7.

(hereinafter called "BDC")

OF THE SECOND PART

WHEREAS:

A. By a Mortgage made between the Borrower and BDC, which Mortgage is dated the 10 day of ~~June~~, 2015, (hereinafter called the "Mortgage") the Borrower did grant and mortgage unto BDC the lands and premises in the Mountain View County, in the Province of Alberta, and legally described as follows:

PLAN 0611068
BLOCK 1
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 3.227 HECTARES (7.97 ACRES) MORE OR LESS

(hereinafter called the "Lands and Premises")

to secure payment of ONE MILLION FIVE HUNDRED SIXTY THOUSAND (\$1,560,000.00) DOLLARS and interest thereon as therein set forth;

B. The Borrower has agreed to assign to BDC all rents and other monies now due and payable or hereafter to become due and payable under every existing and future lease of and Agreement to Lease the whole or any portion of the Lands and Premises as a further security for the payment of the principal sum and interest secured by the Mortgage and for the performance of the covenants in the Mortgage contained;

NOW THEREFORE in consideration of the premises, the sum of One (\$1.00) Dollar now paid by BDC to the Borrower, and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the Borrower), the parties hereto covenant and agree as follows:

1. The Borrower doth hereby assign and set over unto BDC as security for the said principal and interest secured by the Mortgage and for the performance of the covenants in the Mortgage contained all rents and other monies now due and payable or hereafter to become due and

payable under every existing and future Lease of and Agreement to Lease the whole or any portion of the Lands and Premises (hereinafter called the "Leases"), together with the benefit of all covenants, agreements and provisos contained in the Leases with full power and authority to demand, collect, sue for, recover, receive and give receipts for the rents and to enforce payment thereof in the name of the Borrower, its successors and assigns.

2. Nothing herein contained shall be deemed to have the effect of making BDC responsible for the collection of any rents and other monies now due and payable or to become due and payable, or for the performance of any covenants, terms and conditions either by the lessor or by the lessee contained or to be contained in the Leases and BDC shall not, by virtue of these presents, be deemed a Mortgagee in possession of the Lands and Premises or any part thereof.
3. BDC shall be liable to account for only such monies as shall actually come into its hands by virtue of these presents, less collection charges, exigible taxes and costs (including solicitor and client costs). Such monies when so received by BDC shall be applied on account of the monies from time to time due under the Mortgage and any renewal or extension thereof, or under any agreement collateral thereto.
4. The said rents and other monies now due and payable or hereafter to become due and payable thereunder and other benefits hereby assigned or to be assigned to BDC are being taken as collateral security only for the due payment of any sum due under the Mortgage or any renewal or extension thereof or of any Mortgage taken in substitution therefor, either wholly or in part, and none of the rights or remedies of BDC under the Mortgage shall be delayed or in any way prejudiced by these presents.
5. Notwithstanding any variation of the terms of the Mortgage or any agreement or arrangement with the Borrower or any extension of time for payment or any release of part or parts of the Lands and Premises, or of any collateral security, the said rents and monies now due and payable or hereafter to become due and payable thereunder and other benefits hereby assigned or to be assigned shall continue as collateral security until the whole of the monies secured by the Mortgage shall be fully paid and satisfied.
6. None of the Leases or the Borrower's rights thereunder including the right to receive rents and monies, has been or will be amended, assigned, encumbered, terminated, discounted or anticipated without BDC's prior written consent.
7. The Borrower covenants and agrees from time to time and at all times hereafter, at the request of BDC, to execute and deliver at the expense of the Borrower such further assurances for the better and more perfectly assigning to BDC all rents and monies now due and payable or hereafter to become payable thereunder, as BDC shall reasonably advise.
8. No tenant, sub-tenant, licensee or sub-licensee, as the case may be, may make, and the Borrower may not accept, a prepayment of rents or monies payable under the Leases without BDC's prior written consent, and where any such person has a contractual right to repay rents under any of the Leases registered prior to this Mortgage, such prepayment will, if made, be paid to BDC and applied as prepayment against any monies then owing to BDC or held as security until the whole of the monies secured by the Mortgage shall be fully paid and satisfied, as BDC may determine, unless BDC has, in writing, waived its right to receive such prepayment.
9. Until default shall have been made in the payment of any instalment of principal or of interest as provided in the Mortgage or any renewal or extension thereof or until the breach of any covenants contained in the Mortgage, the Borrower shall, except for prepayments, be entitled to receive all rents or monies payable under the Leases and shall not be liable to account therefor to BDC, but immediately upon default in payment of either the principal or interest under the Mortgage, or upon a breach on the part of the Borrower of any of the covenants contained in the Mortgage, and so often as either may occur, BDC upon notice to the lessee or to any person or persons liable for payment of any rents or monies under the Leases, shall be entitled to all such rents or monies falling due subsequent to the date of service of such notice.

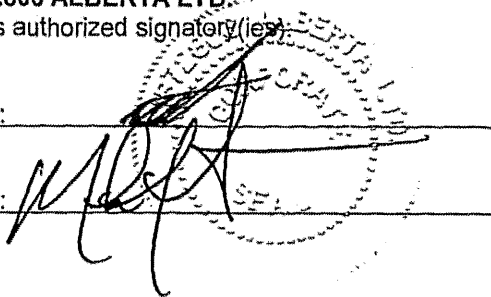
10. Notwithstanding this Assignment, the Borrower shall be solely responsible for performing and complying with all the lessor's covenants and other obligations under the terms of the Leases and shall perform, according to the true intent and meaning thereof, all such the covenants and obligations contained in the Leases so that the rights and remedies of BDC shall not be in any way delayed or prejudiced.
11. BDC may, but shall not be bound to, institute proceedings for the purpose of enforcing any Leases or collecting the rents or for the purpose of preserving any rights of BDC, the Borrower or any other person, firm or corporation in respect of the same.
12. BDC may waive any default or breach of covenant and shall not be bound to serve any notice as hereinbefore set forth upon the happening of any default or beach of covenant, but any such waiver shall not extend to any subsequent default or breach of covenant.
13. This Agreement shall enure to and be binding upon the Parties hereto and their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF the Borrower has executed these presents the day and year first above written.

1872806 ALBERTA LTD.
by its authorized signatory (ies)

PER: _____

PER: _____

A handwritten signature in black ink is written over two horizontal lines. To the right of the signature is a circular stamp with a dotted border. The text inside the stamp is partially obscured by the signature but appears to contain the words "1872806 ALBERTA LTD." and "CORPORATE SEAL".



LAND TITLE CERTIFICATE

S
LINC SHORT LEGAL TITLE NUMBER
0031 646 326 0611068;1;1 151 253 085

LEGAL DESCRIPTION

PLAN 0611068
BLOCK 1
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 3.227 HECTARES (7.97 ACRES) MORE OR LESS

ESTATE: FEE SIMPLE
ATS REFERENCE: 5;4;32;34;SE

MUNICIPALITY: MOUNTAIN VIEW COUNTY

REFERENCE NUMBER: 071 522 236

| REGISTERED OWNER(S) | | | | | |
|---------------------|------------|------------------|------|-------------|---------------|
| REGISTRATION | DATE (DMY) | DOCUMENT | TYPE | VALUE | CONSIDERATION |
| 151 253 085 | 29/09/2015 | TRANSFER OF LAND | | \$1,950,000 | \$1,950,000. |

OWNERS

1872806 ALBERTA LTD.
OF BOX 603
PROVOST
ALBERTA T0B 3S0

ENCUMBRANCES, LIENS & INTERESTS

| REGISTRATION | NUMBER | DATE (D/M/Y) | PARTICULARS |
|--------------|------------|---|-------------|
| 751 056 163 | 09/06/1975 | UTILITY RIGHT OF WAY GRANTEE - FOOTHILLS NATURAL GAS CO-OP LTD. | |
| 981 120 779 | 29/04/1998 | CAVEAT RE : ROADWAY CAVEATOR - MOUNTAIN VIEW COUNTY. BAG 100 DIDSBURY | |

ENCUMBRANCES, LIENS & INTERESTS

PAGE 2

151 253 085

REGISTRATION

NUMBER DATE (D/M/Y) PARTICULARS

ALBERTA TOMOWO
AGENT - HAROLD JOHNSRUDE

061 133 952 04/04/2006 CAVEAT
RE : DEVELOPMENT AGREEMENT PURSUANT TO MUNICIPAL
GOVERNMENT ACT
CAVEATOR - MOUNTAIN VIEW COUNTY.
BAG 100
DIDSBURY
ALBERTA TOMOWO

071 295 087 13/06/2007 CAVEAT
RE : RESTRICTIVE COVENANT , ETC.

151 253 086 29/09/2015 MORTGAGE
MORTGAGEE - BUSINESS DEVELOPMENT BANK OF CANADA.
SUITE 200,4900 50 STREET
RED DEER
ALBERTA T4N1X7
ORIGINAL PRINCIPAL AMOUNT: \$1,560,000

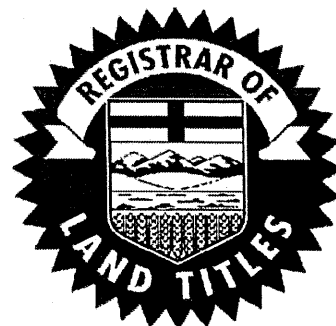
151 253 087 29/09/2015 CAVEAT
RE : ASSIGNMENT OF RENTS AND LEASES
CAVEATOR - BUSINESS DEVELOPMENT BANK OF CANADA.
C/O ALTALAW LLP
5233 49 AVE
ATTN: THOMAS G. LANGFORD
RED DEER
ALBERTA T4N6G5
AGENT - THOMAS G LANGFORD

TOTAL INSTRUMENTS: 006

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN
ACCURATE REPRODUCTION OF THE CERTIFICATE OF
TITLE REPRESENTED HEREIN THIS 31 DAY OF MARCH,
2021 AT 10:02 A.M.

ORDER NUMBER: 41338752

CUSTOMER FILE NUMBER: 0189999.0234



END OF CERTIFICATE

(CONTINUED)

MEH 277

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER, SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION, APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

THIS IS EXHIBIT "25"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

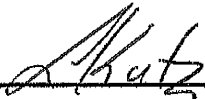
LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta



Client Number 089614
 From 2021-07-01 To 2024-03-12
 C/A Number 08961401 1872806 Alberta Ltd.

| Trans- action Date | Principal | Interest \$ | Royalties \$ | Fees | Other |
|--------------------------|-------------------|--------------------|--------------|------------------|-------------------|
| 2021-07-07 | -3,327.58 | -4,785.88 | 0.00 | 0.00 | -2,386.54 |
| 2021-08-13 | -5,573.15 | -4,926.85 | 0.00 | 0.00 | 0.00 |
| 2021-09-07 | -5,594.48 | -4,905.52 | 0.00 | 0.00 | 0.00 |
| 2022-01-24 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2022-02-23 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2022-03-23 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2022-04-25 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2022-05-24 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2022-05-25 | -9,420.64 | 9,420.64 | 0.00 | 0.00 | 0.00 |
| 2022-06-23 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2022-06-24 | 0.00 | 10,500.00 | 0.00 | 0.00 | -10,500.00 |
| 2022-07-25 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2022-08-23 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2022-08-24 | 0.00 | 10,500.00 | 0.00 | 0.00 | -10,500.00 |
| 2022-09-23 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2022-09-26 | 0.00 | 2,722.54 | 0.00 | -750.00 | -1,972.54 |
| 2022-10-24 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2022-11-23 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2022-11-24 | 0.00 | 3,243.53 | 0.00 | -750.00 | -2,493.53 |
| 2022-12-23 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2022-12-29 | 0.00 | 2,347.71 | 0.00 | 0.00 | -2,347.71 |
| 2023-01-23 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2023-02-23 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2023-02-24 | 0.00 | 139.65 | 0.00 | 0.00 | -139.65 |
| 2023-03-23 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2023-03-24 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2023-04-24 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2023-05-23 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2023-05-24 | 0.00 | 2,858.71 | 0.00 | 0.00 | -2,858.71 |
| 2023-06-23 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2023-07-24 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2023-07-25 | 0.00 | 2,211.84 | 0.00 | 0.00 | -2,211.84 |
| 2023-08-23 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2023-08-24 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2023-09-25 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2023-09-26 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2023-10-23 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2023-10-24 | -857.24 | 857.24 | 0.00 | 0.00 | 0.00 |
| 2023-11-23 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2023-11-24 | 0.00 | 4,434.90 | 0.00 | -750.00 | -3,684.90 |
| 2023-12-27 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2023-12-28 | 0.00 | 5,187.00 | 0.00 | 0.00 | -5,187.00 |
| 2024-02-23 | 0.00 | -10,500.00 | 0.00 | 0.00 | 0.00 |
| 2024-03-01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | -24,773.09 | -222,694.49 | 0.00 | -2,250.00 | -44,282.42 |

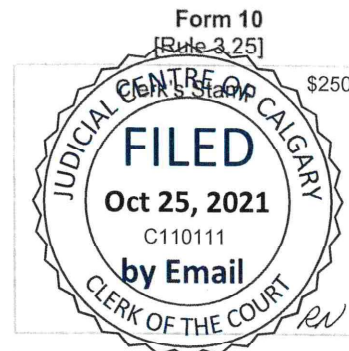
THIS IS EXHIBIT "26"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

COURT FILE NUMBER 2101-13327
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY



PLAINTIFF(S) **BUSINESS DEVELOPMENT BANK OF CANADA**
DEFENDANT(S) **1872806 ALBERTA LTD., 1823741 ALBERTA LTD. carrying on
business as KWIK-FAB ENERGY SERVICES,
MICHAEL JAMES GANSER and MARK EDMUND HALDANE**
DOCUMENT **STATEMENT OF CLAIM**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
MILLER THOMSON LLP
3000, 700-9th Avenue S.W.
Calgary, AB, Canada T2P 3V4
Attention: Nicole T. Taylor-Smith
Telephone: 403.298.2401
Fax: 403.262.0007
E-mail: ntaylor-smith@millerthomson.com
File No.: 0189999.0234

NOTICE TO DEFENDANT(S)

You are being sued. You are a defendant.

Go to the end of this document to see what you can do and when you must do it.

Note: State below only facts and not evidence (Rule 13.6)

Statement of facts relied on:

1. The Plaintiff, Business Development Bank of Canada ("BDC"), is a corporation established or continued pursuant to the *Business Development Bank of Canada Act*, S.C., 1995, c. 28, as amended, and is, by virtue of the said statute, an agent of the Crown.
2. The Defendants 1872806 Alberta Ltd. (the "Borrower") and 1823741 Alberta Ltd. carrying on business as Kwik-Fab Energy Services ("Kwik-Fab") are corporations incorporated in accordance with the laws of the Province of Alberta, which carry on business in or near Sundre, Alberta.

3. The Defendants Michael James Ganser ("Ganser") and Mark Edmund Haldane ("Haldane") are individuals who reside in or near the Towns of Provost and Sundre, respectively, in the Province of Alberta.
4. Ganser and Haldane are directors and shareholders of the Borrower. Ganser is the sole director of Kwik-Fab. Ganser and Haldane are both shareholders of Kwik-Fab. A shareholder dispute has arisen between Ganser and Haldane.
5. The Borrower is indebted to BDC as of October 22, 2021, in the amount of \$1,205,579.91 (the "Indebtedness") pursuant to loans and advances made by BDC to the Borrower. The Indebtedness is calculated as follows:

| | Loan No. 01 |
|----------------|-----------------------|
| Principal | \$1,196,169.79 |
| Interest | \$8,035.67 |
| Legal Fees | \$1,374.45 |
| TOTAL | \$1,205,579.91 |
| Daily Interest | \$157.92 |

6. Loan 089614-01 was made by BDC to the Borrower pursuant to a Letter of Offer dated March 30, 2015, and accepted by the Defendants on April 1, 2015, as amended from time to time (the "Loan Agreement") whereby BDC agreed to extend to the Borrower a loan in the amount of \$1,560,000 with interest thereon at BDC's Floating Base Rate as determined by BDC from time to time (the "BDC Rate") minus a variance of 0.25% per year. The purpose of the loan was to purchase real property.
7. Sums were duly advanced by BDC to the Borrower in accordance with the Loan Agreement.
8. As security for the payment to BDC of all indebtedness and obligations of the Borrower to BDC, the Borrower provided BDC a General Security Agreement dated September 10, 2015, (the "Borrower GSA"), covering all of its present and after-acquired personal property as set out more particularly in the Borrower GSA.
9. As additional collateral security for the payment to BDC of the amount owing under the Loan Agreement, the Borrower provided BDC with a land mortgage (the "Mortgage") September 10, 2015 registered at Alberta Land Titles as Instrument No. 151 253 086 in the principal amount of \$1,560,000 plus interest at the floating base rate established by BDC from time to time plus 10% per annum payable upon demand over lands legally described as:

PLAN 0611068
BLOCK 1
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS

(the "Lands").
10. Under the Mortgage, the Borrower covenanted to pay all liens, taxes, rates, charges, or encumbrances on the Lands which may fall due or be unpaid and to insure the buildings on the said lands, in default of all or any of which BDC has the right to do the same, and

add to the amount owing under the Mortgage all costs and expenses incurred by it in that regard.

11. As further security for the payment of the obligations of the Borrower under the Loan Agreement and the Mortgage, the Borrower provided BDC with a General Assignment of Rentals dated September 10, 2015, (the "Assignment") whereby the Borrower assigned to BDC all rents and other monies due and payable under every existing and future lease in respect of the Lands. The Assignment was duly registered at Alberta Land Titles against the Lands by way of Caveat registered as Instrument No. 151 253 087.
12. By a guarantee in writing dated September 10, 2015, Kwik-Fab unconditionally guaranteed payment, upon demand, to BDC of all of the obligations of the Borrower under the Loan Agreement including payment of principal, interest at the rates provided under the Loan Agreement calculated and compounded monthly, protective disbursements and legal costs on a solicitor and client basis (the "Kwik-Fab Guarantee").
13. As security for the Kwik-Fab Guarantee, Kwik-Fab provided BDC a General Security Agreement dated September 10, 2015, (the "Kwik-Fab GSA"), covering all of its present and after-acquired personal property as set out more particularly in the Kwik-Fab GSA
14. By a joint and several guarantee in writing dated September 10, 2015, Ganser and Haldane unconditionally guaranteed performance of all of the obligations of the Borrower under the Loan Agreement up to the limited amount of \$500,000 plus interest thereon from the date that BDC demanded payment (March 31, 2021) at the rates set out in the Loan Agreement from the date of demand and costs incurred by BDC to enforce the guarantee including legal costs on a solicitor and client basis.
15. It was an express term of the Loan Agreement, Mortgage and security agreements that all advances, charges and expenses, including all legal costs and disbursements on a solicitor and its own client basis, incurred or paid by BDC in exercising any remedy or otherwise enforcing the agreements shall become a part of the indebtedness owed to BDC and shall bear interest at the highest interest rate applicable to the indebtedness until repaid.
16. There was a default under the terms of the Loan Agreement and on March 31, 2021 BDC issued a demand for payment to the Defendants and served the Borrower and Kwik-Fab with a Notice of Intention to Enforce Security as required under the *Bankruptcy and Insolvency Act*.
17. On or about April 20, 2021, BDC entered into a forbearance agreement with the Defendants (the "Forbearance Agreement") whereby BDC agreed to forbear from enforcement until September 30, 2021, on the following terms:
 - (a) the Defendants acknowledged the indebtedness and validity of all security documents;

- (b) the Defendants acknowledged and agreed that they were in default and all demands and notices required by law to be sent by BDC had been received by them;
 - (c) the Defendants acknowledged and agreed that they had no defence to BDC's claim or any claim for set-off;
 - (d) the Borrower would make monthly payments to BDC; and
 - (e) the purpose of the forbearance period was to provide time for Ganser and Haldane to resolve their shareholder dispute.
18. The Forbearance Agreement expired and on September 30, 2021. BDC offered the Defendants an extension of the forbearance period however, not all of the Defendants were prepared to agree to the extension.
19. The Defendants have failed to pay the sums owing to BDC which sums are just debts truly owing.
20. BDC proposes that trial of this action be held at the Calgary Courts Centre in the City of Calgary, in the Province of Alberta and that this case be classified as a standard case for the purposes of the *Alberta Rules of Court*.
21. This Statement of Claim may be served outside the Province of Alberta, if necessary, on the grounds that: (a) the claim in this action relates to contracts made, and breached in Alberta and expressly governed by the Law of Alberta; and (b) the claim relates to lands located in Alberta.

Remedy sought:

22. BDC seeks the following relief against the Borrower and Kwik-Fab jointly and severally:
- (a) Judgment in the amount of \$1,205,579.91 plus interest thereon calculated from October 22, 2021 to the date of Judgment or payment in full at the interest rate set out in the Loan Agreement, or in the alternative, interest pursuant to the *Judgment Interest Act* of Alberta;
 - (b) All legal costs and expenses incurred by BDC including all those as between a solicitor and client; and
 - (c) Such further and other relief as the nature of this case may require and this Honourable Court deems just.
23. BDC seeks the following additional relief against the Borrower:
- (a) A declaration as to the amounts owing under the Mortgage with interest according to the terms of the said Mortgage and in default of payment, sale or foreclosure and possession of the Lands;

- (b) An Order for Possession;
- (c) An Order for the appointment of a Receiver and Manager;
- (d) In the event a Redemption Order is sought or granted an Order shortening the period of redemption to one (1) day or as the Court may direct;
- (e) A Preservation Order; and
- (f) All legal costs and expenses incurred by BDC including all those as between a solicitor and its own client; and
- (g) Such further and other relief as the nature of this case may require and this Honourable Court deems just.

24. BDC seeks the following relief against Ganser and Haldane jointly and severally:

- (a) Judgment in the amount of \$500,000.00 plus interest thereon calculated from March 31, 2021, to the date of Judgment or payment in full at the interest rate set out in the Loan Agreement, or in the alternative, interest pursuant to the *Judgment Interest Act* of Alberta;
- (b) All legal costs and expenses incurred by BDC including all those as between a solicitor and its own client; and
- (c) Such further and other relief as the nature of this case may require and this Honourable Court deems just.

NOTICE TO THE DEFENDANT(S)

You only have a short time to do something to defend yourself against this claim:

20 days if you are served in Alberta

1 month if you are served outside Alberta but in Canada

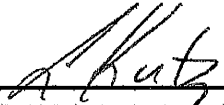
2 months if you are served outside Canada.

You can respond by filing a statement of defence or a demand for notice in the office of the clerk of the Court of Queen's Bench at Calgary, Alberta, AND serving your statement of defence or a demand for notice on the plaintiff's(s') address for service.

WARNING

If you do not file and serve a statement of defence or a demand for notice within your time period, you risk losing the law suit automatically. If you do not file, or do not serve, or are late in doing either of these things, a court may give a judgment to the plaintiff(s) against you.

THIS IS EXHIBIT "27"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.

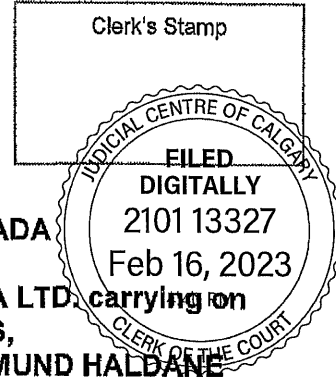


A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

CERTIFIED *E. Wheaton*
by the Court Clerk as a true copy of the
document digitally filed on Feb 16, 2023

COURT FILE NUMBER 2101-13327
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF **BUSINESS DEVELOPMENT BANK OF CANADA**
DEFENDANTS **1872806 ALBERTA LTD., 1823741 ALBERTA LTD. carrying on
business as KWIK-FAB ENERGY SERVICES,
MICHAEL JAMES GANSER AND MARK EDMUND HALDANE**
DOCUMENT **CONSENT ORDER TO EXTEND JUDICIAL LISTING**



ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
MILLER THOMSON LLP
3000, 700 – 9 Avenue SW
Calgary, AB, Canada T2P 3V4
Attention: Nicole T. Taylor-Smith
Telephone: 403.298.2400 Fax: 403.262.0007
E-mail: ntaylor-smith@millerthomson.com
File No.: 0189999.0234


DATE ON WHICH ORDER WAS PRONOUNCED: February 16, 2023
LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta
APPLICATIONS JUDGE WHO MADE THIS ORDER: Applications Judge J.T. Prowse

UPON the application of the plaintiff; and upon being referred to the Consent Redemption Order granted on March 30, 2022 (the "Redemption Order"); and upon being advised that the initial 90 day judicial listing commenced May 3, 2022; and upon being referred to the Consent Order to Extend Judicial Listing granted on August 9, 2022 and Consent Order to Extend Judicial Listing granted on November 2, 2022 each of which extended the judicial listing for 90 days upon the terms set out in the Redemption Order; AND UPON noting the consent of counsel for the defendants endorsed hereon;

IT IS HEREBY ORDERED AND DECLARED THAT:

- In this Order the mortgaged lands are the following:
PLAN 0611068
BLOCK 1
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS
- The judicial listing of the mortgaged lands shall be extended for 90 days from the date of this Order.

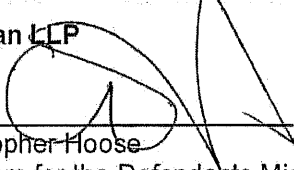
3. The listing price for the mortgaged lands shall be reduced to \$1,850,000.



APPLICATIONS JUDGE IN CHAMBERS

THIS ORDER IS HEREBY CONSENTED TO BY:

Stillman LLP

Per: 
Christopher Hoose
Solicitors for the Defendants Michael James Ganser and 1823741
Alberta Ltd. carrying on business as Kwik-Fab Energy Services

Kutz Skorodenski Law

Per: _____
Laura K. Skorodenski
Solicitors for the Defendant Mark Edmund Haldane

1872806 Alberta Ltd.

Per: _____
Mark Edmund Haldane, Director
67649520.2

3. The listing price for the mortgaged lands shall be reduced to \$1,850,000.

APPLICATIONS JUDGE IN CHAMBERS

THIS ORDER IS HEREBY CONSENTED TO BY:

Stillman LLP

Per: _____

Christopher Hoose

Solicitors for the Defendants Michael James Ganser and 1823741
Alberta Ltd. carrying on business as Kwik-Fab Energy Services

Kutz Skorodenski Law

Per: _____

Laura K. Skorodenski

Solicitors for the Defendant Mark Edmund Haldane

1872806 Alberta Ltd.

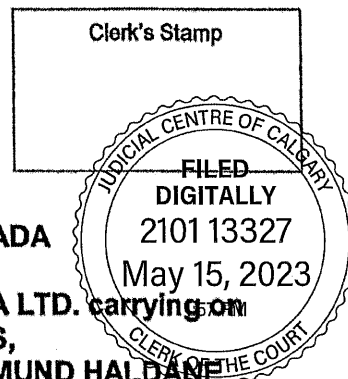
Per: _____

Mark Edmund Haldane, Director

67649520.2

CERTIFIED *E. Wheaton*
by the Court Clerk as a true copy of the
document digitally filed on May 15, 2023

COURT FILE NUMBER 2101-13327
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF BUSINESS DEVELOPMENT BANK OF CANADA
DEFENDANTS 1872806 ALBERTA LTD., 1823741 ALBERTA LTD. carrying on
business as KWIK-FAB ENERGY SERVICES,
MICHAEL JAMES GANSER AND MARK EDMUND HALDANE
DOCUMENT CONSENT ORDER TO EXTEND JUDICIAL LISTING



ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT MILLER THOMSON LLP
3000, 700 – 9 Avenue SW
Calgary, AB, Canada T2P 3V4
Attention: Nicole T. Taylor-Smith
Telephone: 403.298.2400 Fax: 403.262.0007
E-mail: ntaylor-smith@millerthomson.com
File No.: 0189999.0234

DATE ON WHICH ORDER WAS PRONOUNCED: May 13, 2023
LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta
APPLICATIONS JUDGE WHO MADE THIS ORDER: Applications Judge L.A. MATTIS

UPON the application of the plaintiff; and upon being referred to the Consent Redemption Order granted on March 30, 2022 (the "Redemption Order"); and upon being advised that the initial 90 day judicial listing commenced May 3, 2022; and upon being referred to the Consent Order to Extend Judicial Listing granted on August 9, 2022 and Consent Order to Extend Judicial Listing granted on November 2, 2022, and Consent Order to Extend Judicial Listing dated February 16, 2023, each of which extended the judicial listing for 90 days upon the terms set out in the Redemption Order; AND UPON noting the consent of counsel for the defendants endorsed hereon; AND UPON there being no subsequent encumbrancers registered on title to the mortgaged lands;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. In this Order the mortgaged lands are the following:

PLAN 0611068
BLOCK 1
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS

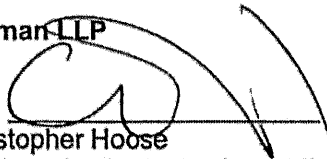
2. The judicial listing of the mortgaged lands shall be extended for 90 days from May 17, 2023, being the date that the current listing period expires, at the current listing price of \$1,850,000.



APPLICATIONS JUDGE IN CHAMBERS

THIS ORDER IS HEREBY CONSENTED TO BY:

Stillman LLP

Per: 
Christopher Hoose
Solicitors for the Defendants Michael James Ganser and 1823741
Alberta Ltd. carrying on business as Kwik-Fab Energy Services

Kutz Skorodenski Law

Per: _____
Laura K. Skorodenski
Solicitors for the Defendant Mark Edmund Haldane

1872806 Alberta Ltd.

Per: _____
Mark Edmund Haldane, Director

69665858.1

2. The judicial listing of the mortgaged lands shall be extended for 90 days from May 17, 2023, being the date that the current listing period expires, at the current listing price of \$1,850,000.

APPLICATIONS JUDGE IN CHAMBERS

THIS ORDER IS HEREBY CONSENTED TO BY:

Stillman LLP

Per: _____

Christopher Hoose

Solicitors for the Defendants Michael James Ganser and 1823741

Alberta Ltd. carrying on business as Kwik-Fab Energy Services

Kutz Skorodenski Law

Per: *L. Skorodenski*

Laura K. Skorodenski

Solicitors for the Defendant Mark Edmund Haldane

1872806 Alberta Ltd.

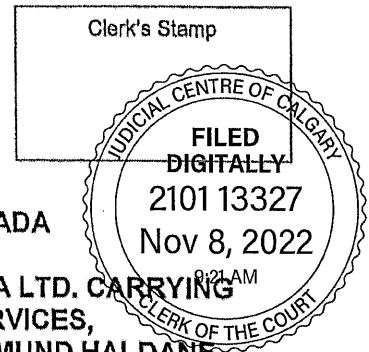
Per: *M. Haldane*

Mark Edmund Haldane, Director

69665858.1

CERTIFIED *E. Wheaton*
by the Court Clerk as a true copy of the
document digitally filed on Nov 8, 2022

COURT FILE NUMBER 2101-13327
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF BUSINESS DEVELOPMENT BANK OF CANADA
DEFENDANTS 1872806 ALBERTA LTD., 1823741 ALBERTA LTD. CARRYING
ON BUSINESS AS KWIK-FAB ENERGY SERVICES,
MICHAEL JAMES GANSER AND MARK EDMUND HALDANE
DOCUMENT CONSENT ORDER TO EXTEND JUDICIAL LISTING



ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
MILLER THOMSON LLP
3000, 700 – 9 Avenue SW
Calgary, AB, Canada T2P 3V4
Attention: Nicole T. Taylor-Smith
Telephone: 403.298.2400 Fax: 403.262.0007
E-mail: ntaylor-smith@millerthomson.com
File No.: 0189999.0234

DATE ON WHICH ORDER WAS PRONOUNCED: November 2, 2022
LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta
APPLICATIONS JUDGE WHO MADE THIS ORDER: Applications Judge

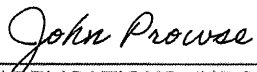
UPON the application of the plaintiff; and upon being referred to the Consent Redemption Order granted on March 30, 2022 (the "Redemption Order") which provided for a one day redemption period to be followed by a judicial listing at an initial listing price of \$2,000,000.00 or such higher price as the judicial listing agent may recommend; and upon being advised that the initial 90 day judicial listing commenced May 3, 2022; and upon being referred to the Consent Order to Extend Judicial Listing granted on August 9, 2022 which extended the judicial listing for 90 days upon the terms set out in the Redemption Order; and upon noting the consent of counsel for the defendants endorsed hereon;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. In this Order the mortgaged lands are the following:

PLAN 0611068
BLOCK 1
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS

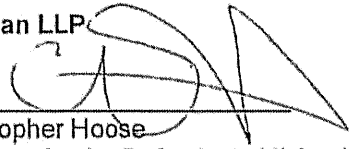
2. The judicial listing of the mortgaged lands shall be extended for 90 days from the date of this Order upon the terms set out in the Redemption Order.



APPLICATIONS JUDGE IN CHAMBERS

THIS ORDER IS HEREBY CONSENTED TO BY:

Stillman LLP

Per: 
Christopher Hoose
Solicitors for the Defendants Michael James Ganser and 1823741
Alberta Ltd. carrying on business as Kwik-Fab Energy Services

Kutz Skorodenski Law

Per: _____
Laura K. Skorodenski
Solicitors for the Defendant Mark Edmund Haldane

1872806 Alberta Ltd.

Per: _____
Mark Edmund Haldane, Director
65898023.1

PLAN 0611068
BLOCK 1
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS

2. The judicial listing of the mortgaged lands shall be extended for 90 days from the date of this Order upon the terms set out in the Redemption Order.

APPLICATIONS JUDGE IN CHAMBERS

THIS ORDER IS HEREBY CONSENTED TO BY:

Stillman LLP

Per: _____
Christopher Hoose
Solicitors for the Defendants Michael James Ganser and 1823741
Alberta Ltd. carrying on business as Kwik-Fab Energy Services

Kutz Skorodenski Law

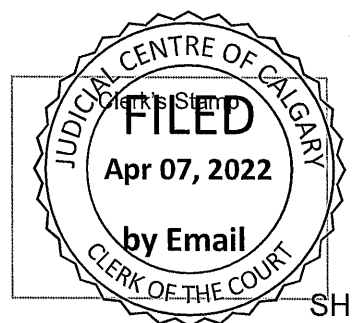
Per: 
Laura K. Skorodenski
Solicitors for the Defendant Mark Edmund Haldane

1872806 Alberta Ltd.

Per: 
Mark Edmund Haldane, Director

65898023.1

COURT FILE NUMBER 2101-13327
 COURT COURT OF QUEEN'S BENCH OF ALBERTA
 JUDICIAL CENTRE CALGARY
 PLAINTIFF **BUSINESS DEVELOPMENT BANK OF CANADA**
 DEFENDANTS **1872806 ALBERTA LTD., 1823741 ALBERTA LTD. CARRYING ON BUSINESS AS KWIK-FAB ENERGY SERVICES, MICHAEL JAMES GANSER AND MARK EDMUND HALDANE**
 DOCUMENT **CONSENT REDEMPTION ORDER (LISTING)**



ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
 MILLER THOMSON LLP
 3000, 700 – 9 Avenue SW
 Calgary, AB, Canada T2P 3V4
 Attention: Nicole T. Taylor-Smith
 Telephone: 403.298.2400 Fax: 403.262.0007
 E-mail: ntaylor-smith@millerthomson.com
 File No.: 0189999.0234

DATE ON WHICH ORDER WAS PRONOUNCED: March 30, 2022
 LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta
 NAME OF MASTER WHO MADE THIS ORDER: Master J. Farrington

UPON the application of the Plaintiff; and upon hearing reference to the Statement of Claim, the Affidavit of Default, the certified copy of Title, and the Affidavit of Value and Valuator's Report and evidence of service thereof; and upon hearing counsel for the Plaintiff; and upon the Defendants having consented to this Order;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. In this order the mortgaged lands are the following:

PLAN 0611068
 BLOCK 1
 LOT 1
 EXCEPTING THEREOUT ALL MINES AND MINERALS



I hereby certify this to be a true copy of the original Order

Dated this 07 day of April, 2022

[Signature]
 for Clerk of the Court

2. The mortgage described in the statement of claim is a valid and enforceable mortgage over the mortgaged lands.
3. There is outstanding, due and owing to the Plaintiff under the mortgage the sum of \$1,211,212.38 as at February 4, 2022 (as set forth in the statement of secured indebtedness which is attached to this Order), plus costs on a solicitor and client basis

as worded in the mortgage, plus interest thereafter at the mortgage rate, plus other amounts chargeable under the mortgage (the "Indebtedness"). Prior to the entry of this order the assessment officer shall check the amounts claimed in the statement of secured indebtedness, including the particulars provided in the affidavit of default and the Plaintiff's calculations. If the assessment officer returns this order unentered then the Plaintiff may either submit a corrected order or seek the advice and direction of the court. The requirement for service of documents prior to entry of this order, set out in Rule 9.35(1)(a), is hereby waived.

4. The Defendants and subsequent encumbrancers have one month from service of this order upon them to apply to vary the amount declared owing pursuant to the preceding paragraph with respect to any amounts not disclosed in the affidavit of default served in support of the application for this order.
5. The Defendants or anyone else entitled to do so shall have one (1) day  from the date of service of this Order (the "Redemption Date") to repay the Indebtedness, failing which the mortgaged lands shall be offered for sale in the manner described in the judicial listing agreement attached to this order. Subject to further Order of the Court, and subject to paragraph 13 of this order, this Action is stayed until the Redemption Date.
6. If the Defendants, or anyone entitled to do so, repays the Indebtedness prior to the mortgaged lands being sold or foreclosed in these proceedings, then the Plaintiff shall provide to the person who paid the Indebtedness, at the election of such person, either a registrable discharge of the mortgage, or a registrable transfer of the mortgage.
7. Provided that the mortgage has not matured, if the Defendants, or anyone entitled to do so, pays all arrears owing under the mortgage, including solicitor and client costs as worded in the mortgage, then this Action is stayed so long as payments under the mortgage remain current.
8. If the Indebtedness has not been repaid by the Redemption Date then the mortgaged lands shall be listed for sale with a licensed real estate agent (the "Listing Agent") to be selected at the sole discretion of the Plaintiff, upon the terms and conditions mentioned in the directions to realtor attached to this order.
9. The Listing Agent shall be entitled to post a "FOR SALE" sign of the type customarily posted by a real estate agent at a conspicuous location on the mortgaged lands, which sign shall remain during the period of the judicial listing and shall not be interfered with by any person.
10. During the period of the judicial listing ordered herein, the Defendants and any person in possession of the mortgaged lands shall cooperate with the Listing Agent, and shall allow access to the mortgaged lands to the Listing Agent, any representative of the Listing Agent, any other agent approved by the Listing Agent, and any prospective purchaser, upon receiving (24) hours written notice given by the Listing Agent for a viewing between 8:00 A.M. and 8:00 P.M. The written notice may be posted on the front door of the premises located on the mortgaged lands or it may be sent by email to Mark Haldane at markehaldane@gmail.com, president of 1872806 Alberta Ltd. and to Michael Ganser at mgkwik@gmail.com the director of 1823741 Alberta Ltd. carrying on business as Kwik-Fab Energy Services the tenant occupying the mortgaged lands. 

11. Any and all other real estate listings relative to the mortgaged lands shall be cancelled during the period of the judicial listing ordered herein.
12. If the mortgaged lands become vacant or abandoned during the course of this action then the Plaintiff may enter the mortgaged lands for the purpose of doing any and all things necessary to preserve them, and the Plaintiff shall not be considered a mortgagee in possession or trespasser.
13. With respect to the annexed statement of secured indebtedness:
 - (a) where nothing is claimed with respect to a listed category, the word "nil" shall be inserted opposite, and,
 - (b) where amounts are claimed for any of items 4 through 12, documents substantiating such claims shall be provided in affidavit form to the assessment officer for review prior to the entry of this order.
14. The Plaintiff is awarded costs of this action on a solicitor and own client basis as worded in the mortgage. The costs shall be assessed notice pursuant to Rule 10.37 unless the Defendants approve the Bill of Costs or consent to an assessment of the Bill of Costs without notice.



MASTER IN CHAMBERS

THIS ORDER IS HEREBY CONSENTED TO BY:

Stillman LLP

Per: _____

Erin Vanderveen

Solicitors for the Defendants Michael James Ganser and 1823741
Alberta Ltd. carrying on business as Kwik-Fab Energy Services

Kutz Skorodenski Law

Per: 

Laura K. Skorodenski

Solicitors for the Defendant Mark Edmund Haldane

1872806 Alberta Ltd.

Per: _____

Michael James Ganser, Director

Per: 

Mark Edmund Haldane, Director

12. If the mortgaged lands become vacant or abandoned during the course of this action then the Plaintiff may enter the mortgaged lands for the purpose of doing any and all things necessary to preserve them, and the Plaintiff shall not be considered a mortgagee in possession or trespasser.
13. With respect to the annexed statement of secured indebtedness:
 - (a) where nothing is claimed with respect to a listed category, the word "nil" shall be inserted opposite, and,
 - (b) where amounts are claimed for any of items 4 through 12, documents substantiating such claims shall be provided in affidavit form to the assessment officer for review prior to the entry of this order.
14. The Plaintiff is awarded costs of this action on a solicitor and own client basis as worded in the mortgage. The costs shall be assessed notice pursuant to Rule 10.37 unless the Defendants approve the Bill of Costs or consent to an assessment of the Bill of Costs without notice.

MASTER IN CHAMBERS

THIS ORDER IS HEREBY CONSENTED TO BY:

Stillman LLP

Per: 

Erin Vanderveen

Solicitors for the Defendants Michael James Ganser and 1823741
Alberta Ltd. carrying on business as Kwik-Fab Energy Services

Kutz Skorodenski Law

Per: _____

Laura K. Skorodenski

Solicitors for the Defendant Mark Edmund Haldane

1872806 Alberta Ltd.

Per: 

Michael James Ganser, Director

Per: _____

Mark Edmund Haldane, Director

JUDICIAL LISTING AGREEMENT

TO: The Listing Agent

1. You are hereby given authority as an officer of the Court to list for sale the mortgaged lands with the Multiple Listing Service, if any, in effect in the area in which the property is located.
2. The mortgaged lands shall be offered for sale subject to registered encumbrances, liens and interests prior to the Plaintiff's mortgage but free and clear of all registered encumbrances, liens and interests subsequent to the Plaintiff's mortgage.
3. The listing price shall be \$2,000,000.00 or such higher price as you may recommend after a comparative market analysis is conducted by you prior to the commencement of this judicial listing.
4. The listing shall take effect on the later of the day after the Redemption Date or the date the listing is accepted in writing by the realtor, and shall continue for a period of 120 days thereafter.
5. Within a reasonable time of receiving any offer, you shall forward a true copy of the said offer to counsel for the Plaintiff. If the offer is insufficient to pay out the Plaintiff it may be rejected by the Plaintiff. Otherwise counsel for the Plaintiff shall either apply without notice to reject an offer or apply on notice for the court to consider that offer. Where the Plaintiff rejects an offer, or obtains an order without notice rejecting an offer, it shall forthwith serve the Defendants and subsequent encumbrancers with a copy of such offer.
6. If no offers are received during the listing period, you shall so advise counsel for the Plaintiff in writing, immediately following the expiry of the judicial listing.
7. In the event that, as a result of the listing, a purchaser is introduced whose offer is accepted by the Court, and the transaction is completed by the purchaser paying the full purchase price and title is registered in the name of the purchaser or its nominee, then, in such event, you will receive a commission as follows:

7% of the first \$100,000 – 3% of the balance – or such lesser amount as may agreed by you – plus applicable taxes thereon
8. You shall have a first charge against the sale proceeds in the amount of any commission payable hereunder. If the Court accepts an offer to purchase and the purchaser fails to complete the purchase, and the Court does not order relief from forfeiture of the deposit, you will retain, as compensation for services rendered, fifty per cent (50%) of the said deposit (provided such amount does not exceed the commission payable had the sale been fully completed) and you will pay the balance of the deposit to counsel for the Plaintiff to be applied against the Indebtedness.
9. If the Defendants, any subsequent encumbrancer, or anyone else entitled to do so, pays all principal, interest and other amounts owing under the mortgage at any time after the judicial listing takes effect, or brings the mortgage current after the judicial listing takes effect, there shall be paid as part of the costs of redemption, the reasonable expenses

incurred by you as the Listing Agent during this judicial listing and such reasonable compensation as the Court may order on application.

10. All offers submitted pursuant to the judicial listing shall, subject to further order of the Court:
 - (a) be in writing and shall be signed by the offeror; and
 - (b) be subject to the approval and acceptance by the Court on such terms as the Court considers appropriate; and
 - (c) provide for a possession date to be determined by the Court; and
 - (d) contain and be subject to the terms and conditions as are contained in Schedule "A" which is attached to this Judicial Listing Agreement; and
 - (e) be accompanied by a certified cheque or money order payable to your real estate company for the deposit amount referred to in the offer.
11. Nothing in the listing shall:
 - (a) affect the right of the Defendants or anyone else entitled to do so to pay all principal, interest and other amounts owing under the mortgage, or to bring the mortgage current or to privately sell the mortgaged lands;
 - (b) affect the Plaintiff's right to make a proposal to purchase the mortgaged property, if applicable or otherwise acquire the mortgaged property after the expiry of the judicial listing without liability for any real estate commission or any other compensation payable to the Listing Agent hereunder;
 - (c) create or impose any liability on the Plaintiff or the Court for the payment of any real estate commission or other compensation arising out of this listing.
12. The terms of the listing may be modified by the Court on application of any party or subsequent encumbrancer on five days' notice.

ACCEPTED THIS ____ DAY OF
_____, 202_

By: _____
An Agent licensed pursuant to the
Real Estate Act, R.S.A. 2000, c. R-5

SCHEDULE "A" TO THE REAL ESTATE PURCHASE CONTRACT

Entered into between THE COURT OF QUEEN'S BENCH OF ALBERTA (the "Seller")

and

_____ (the "Buyer")

The terms of this schedule replace, modify or add to the terms of the agreement of purchase and sale (the "Real Estate Purchase Contract") to which this schedule is attached. Where there is any inconsistency between the terms of this Schedule and the Real Estate Purchase Contract, the provisions of this Schedule shall prevail.

AS IS - WHERE IS

1. The Buyer acknowledges and agrees to purchase the mortgaged lands, all buildings and improvements located on the mortgaged lands (the "Property"), and any and all fixtures ("Attached Goods") and chattels ("Unattached Goods") included in the Real Estate Purchase Contract or included in the sale of the property, "as is" and agrees with the Seller that neither the Seller, nor its agents or representatives have made any representations or warranties with respect to the Property or any Attached Goods or Unattached Goods included in the sale of the Property. Without limiting the generality of the foregoing, the Buyer agrees that neither the Seller nor its agents have made any representations or warranties with respect to:
 - (a) the condition of any buildings or improvements located on the Property;
 - (b) the condition of any Attached Goods or Unattached Goods included in the Real Estate Purchase Contract or otherwise sold with the Property;
 - (c) whether the Property complies with any existing land use or zoning bylaws or regulations, or municipal development agreements or plans;
 - (d) the location of any buildings and other improvements on the Property and whether such location complies with any applicable municipal bylaws or regulations;
 - (e) whether or not any buildings or improvements located on the Property encroach onto any neighbouring lands or any easements or rights of way;
 - (f) whether or not any buildings or improvements located on any neighbouring lands encroach onto the Property;

- (g) the size and dimensions of the Property or any building or improvements located thereon;
- (h) whether or not the Property is contaminated with any hazardous substance; and
- (i) whether or not any of the buildings or other improvements located on the Property have been insulated with urea formaldehyde insulation.

OWNERSHIP OF UNATTACHED GOODS

2. The Buyer agrees that the Seller is selling only such interest as it may have in any Attached goods or Unattached Goods referred to in the Real Estate Purchase Contract, or which may be located on the Property, and the Seller does not warrant that it has title to such Attached Goods or Unattached Goods. Further, the Buyer agrees that the Seller will not be liable for the removal of any chattels found on the Property prior to or on the date of closing. On closing, the Buyer may have possession of the Attached Goods and Unattached Goods which are then on or about the Property on an "as is" basis, and the Seller will not provide a Bill of Sale, Warranty, or other title document to the Buyer. Further, there will be no adjustment or abatement of any kind to the Purchase Price with respect to any Attached Goods or Unattached Goods.

REAL PROPERTY REPORT & COMPLIANCE

3. The Seller is not required to provide the Buyer with a real property report or compliance certificate. Should the Seller provide the Buyer with a copy of a survey or real property report, the Buyer agrees that any use of or reliance upon such document shall be at the Buyer's own risk. The Buyer must satisfy itself that the survey or real property report which the Seller might provide accurately reflects the Property and the buildings and improvements located thereon as they currently exist and the Seller shall not be responsible for any errors or omissions which might exist on such document. The Seller does not represent or warrant the accuracy or validity of the said survey or real property report or compliance certificate.

CONDOMINIUM

4. If the Property is a condominium:
 - (a) the Seller is not required to provide any condominium documentation to the Buyer and the Buyer shall be solely responsible to obtain any condominium documentation he may require. Without limiting the generality of the foregoing, the Buyer may obtain on his own and at his sole costs and expenses any estoppel certificate, copy of the condominium bylaws and financial statement for the Condominium Corporation that he may require;
 - (b) the Buyer must satisfy himself with the condition of the condominium unit, the common property, and the financial condition of the condominium corporation and agrees that neither the Seller nor its agents, have made any representations or warranties pertaining to same including, without limiting the generality of the foregoing, the adequacy of any reserve fund the condominium corporation might have, any potential special assessments which might be levied by the

condominium corporation or the existence of any legal actions pending against the condominium corporation;

- (c) the Seller shall be responsible for amounts payable up to the closing date on account of any condominium fees and special assessments levied by the condominium corporation.

GOODS AND SERVICES TAX (G.S.T.)

- 5. In addition to the purchase price payable thereunder, the Buyer shall pay to the Seller and indemnify the Seller against all Goods and Services Tax ("G.S.T.") payable on the purchase price as required by the Excise Tax Act. The Seller will not provide to the Buyer a Certificate of Exempt Supply, or any other certificate certifying that this purchase and sale transaction is not subject to the Goods and Services Tax. Should the Seller fail to collect G.S.T. from the Buyer, it shall not be construed by the Buyer as a certification by the Seller that no G.S.T. is payable by the Buyer hereunder, and the Buyer shall remain liable for any G.S.T. which might be payable with respect to this transaction.

ACCEPTANCE BY FACSIMILE

- 6. The Seller and Buyer agree that this contract may be signed in counterpart, and the acceptance of this offer communicated or confirmed by facsimile transmission shall be binding upon the parties. The Buyer agrees to promptly deliver an executed original Real Estate Purchase Contract to the Seller.

FORECLOSURE PROCEEDING

- 7. This offer is being made pursuant to or in a Court of Queen's Bench foreclosure proceeding and, as such, the Offer may be accepted only by Order of said Court and is subject to the terms of that Order. Any agreement arising out of the Seller's acceptance of this Offer is conditional upon the approval thereof by the said Court.

Buyer's Initial

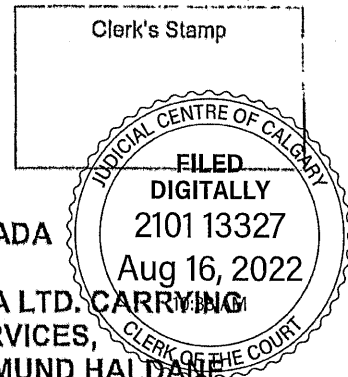
Date

STATEMENT OF SECURED INDEBTEDNESS

| | | |
|-------|--|-----------------------|
| 1. | Principal: | \$1,196,169.79 |
| 1(a). | Amounts included in principal other than the amount lent (such as enforcement legal fees already paid by the Plaintiff) [Insert Details] | NIL |
| 2. | Interest as set out in Affidavit of Default (<i>owing as at February 3, 2022</i>) | \$14,292.59 |
| 3. | Interest from date set out in Affidavit of Default (_____) to date of Order (_____) | \$__ |
| 4.. | Tax paid | NIL |
| 5. | Property maintenance paid | NIL |
| 6. | Occupancy inspections paid | NIL |
| 7. | Insurance paid | NIL |
| 8. | NSF Fees paid | NIL |
| 9. | Prior mortgage arrears paid | NIL |
| 10. | Condominium Fees paid | NIL |
| 11. | Homeowners Association Fees paid | NIL |
| 12. | Any other amounts paid under the mortgage (Annual Loan Administration Fees) | \$750.00 |
| | TOTAL DUE TO PLAINTIFF AT DATE ORDER GRANTED (<i>excluding costs</i>) | \$1,211,212.38 |

CERTIFIED *E. Wheaton*
by the Court Clerk as a true copy of the
document digitally filed on Aug 16, 2022

COURT FILE NUMBER 2101-13327
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF BUSINESS DEVELOPMENT BANK OF CANADA
DEFENDANTS 1872806 ALBERTA LTD., 1823741 ALBERTA LTD. CARRYING
ON BUSINESS AS KWIK-FAB ENERGY SERVICES,
MICHAEL JAMES GANSER AND MARK EDMUND HALDANE
DOCUMENT CONSENT ORDER TO EXTEND JUDICIAL LISTING



ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
MILLER THOMSON LLP
3000, 700 – 9 Avenue SW
Calgary, AB, Canada T2P 3V4
Attention: Nicole T. Taylor-Smith
Telephone: 403.298.2400 Fax: 403.262.0007
E-mail: ntaylor-smith@millerthomson.com
File No.: 0189999.0234

DATE ON WHICH ORDER WAS PRONOUNCED: August 9, 2022
LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta
NAME OF MASTER WHO MADE THIS ORDER: Master J.T. Prowse

UPON the application of the plaintiff; and upon being referred to the Consent Redemption Order granted on March 30, 2022 (the "Redemption Order") which provided for a one day redemption period to be followed by a judicial listing at an initial listing price of \$2,000,000.00 or such higher price as the judicial listing agent may recommend; and upon being advised that the initial 90 day judicial listing commenced May 3, 2022; and upon noting the consent of counsel for the defendants endorsed herein;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. In this Order the mortgaged lands are the following:

PLAN 0611068
BLOCK 1
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS

2. The judicial listing of the mortgaged lands shall be extended for 90 days from the date of this Order upon the terms set out in the Redemption Order.

John Prowse

MASTER IN CHAMBERS

THIS ORDER IS HEREBY CONSENTED TO BY:

Stillman LLP

Per: 

Christopher Hoose

Solicitors for the Defendants Michael James Ganser and 1823741
Alberta Ltd. carrying on business as Kwik-Fab Energy Services

Kutz Skorodenski Law

Per: _____

Laura K. Skorodenski

Solicitors for the Defendant Mark Edmund Haldane

1872806 Alberta Ltd.

Per: _____

Michael James Ganser, Director

Per: _____

Mark Edmund Haldane, Director

2. The judicial listing of the mortgaged lands shall be extended for 90 days from the date of this Order upon the terms set out in the Redemption Order.

MASTER IN CHAMBERS

THIS ORDER IS HEREBY CONSENTED TO BY:

Stillman LLP

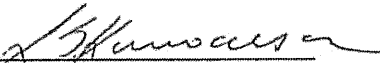
Per: _____

Christopher Hoose

Solicitors for the Defendants Michael James Ganser and 1823741

Alberta Ltd. carrying on business as Kwik-Fab Energy Services

Kutz Skorodenski Law

Per:  _____

Laura K. Skorodenski

Solicitors for the Defendant Mark Edmund Haldane

1872806 Alberta Ltd.

Per: _____

Michael James Ganser, Director

Per:  _____

Mark Edmund Haldane, Director

THIS IS EXHIBIT "28"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

Applications Judge Chambers (AJ1) – Physical Courtroom 903

Form 27
[Rules 6.8 and 10.52(1)]

COURT FILE NUMBER 2101 13327

COURT COURT OF KING'S BENCH OF ALBERTA

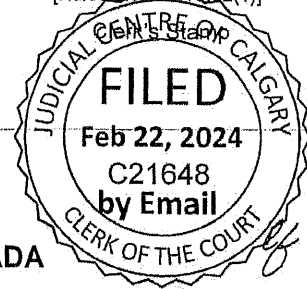
JUDICIAL CENTRE CALGARY

PLAINTIFF **BUSINESS DEVELOPMENT BANK OF CANADA**

DEFENDANTS **1872806 ALBERTA LTD., 1823741 ALBERTA LTD. carrying on business as KWIK-FAB ENERGY SERVICES, MICHAEL JAMES GANSER AND MARK EDMUND HALDANE**

DOCUMENT **APPLICATION TO RENEW JUDICIAL LISTING AND REDUCE LIST PRICE**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT MILLER THOMSON LLP
525 – 8th Avenue S.W., 43rd Floor,
Calgary, AB, Canada T2P 1G1
Nicole T. Taylor-Smith
Telephone: 403.298.2401
Fax: 403.262.0007
E-mail: ntaylor-smith@millerthomson.com
File No. 0189999.0234



NOTICE TO RESPONDENT(S)

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the applications judge/judge.

To do so, you must be in Court when the application is heard as shown below:

| | |
|-------------|--|
| Date | <u>March 12, 2024</u> |
| Time | <u>10:00 a.m.</u> |
| Where | <u>Calgary Court Centre, 601 – 5th Street SW, Calgary, AB T2P 5P7</u> |
| Before Whom | <u>The Presiding Applications Judge in Chambers</u> |

Go to the end of this document to see what else you can do and when you must do it.

Remedy claimed or sought:

1. An Order for the following relief:
 - (a) renewing the judicial listing for a period of 120 days and reducing the listing price to \$1,750,000.00 in respect of the mortgaged lands at issue in this action described as follows:

PLAN 0611068
BLOCK 1
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS
(the "**Mortgaged Lands**"); and

- (b) directing 1823741 Alberta Ltd., or any other party in occupation of the building located on the Mortgaged Lands (the "**Tenant**"), to cooperate with the judicial listing agent to schedule tours for prospective purchasers; and

2. Such other relief as this Honourable Court deems just.

Grounds for making this application:

3. On March 30, 2022, this Honourable Court granted a Consent Redemption Order – Listing (the "**Redemption Order**"), in respect of the Mortgaged Lands providing for a one day redemption period followed by a judicial listing of the Mortgaged Lands at the judicial list price of \$2,000,000.00 for a period of 90 days.
4. The judicial listing commenced on May 3, 2022.
5. The Mortgaged Lands have been listed for sale in accordance with the Redemption Order and the initial 90 day listing period expired on August 1, 2022.
6. The judicial listing was extended on August 9, 2022 and further extended on November 2, 2022, February 16, 2023 and May 13, 2023 each for a 90 day period.
7. On February 16, 2023, the judicial listing price was reduced to \$1,850,000.00.
8. The judicial listing expired on August 15, 2023.
9. The listing agent recommends a reduction in the listing price to \$1,750,000.00 and the Plaintiff is seeking to reduce the price to \$1,750,000.00.
10. The Tenant has not complied with paragraph 10 of the Redemption Order and has refused to accommodate tours during business hours.
11. Such further and other grounds as Counsel may advise and this Honourable Court may permit.

Material or evidence to be relied on:

12. Affidavit of Sean Ferguson sworn December 8, 2023;
13. Affidavit of Faith McNeil sworn December 12, 2023;
14. Certified Copy of Title; and
15. Such further and other material as Counsel may advise and the Court may permit.

Applicable rules:

16. Part 9, Division 5, and Rule 6.9(1)(a) of the *Alberta Rules of Court*

Applicable Acts and regulations:

17. *Law of Property Act*

18. *Land Titles Act*

Any irregularity complained of or objection relied on:

19. N/A

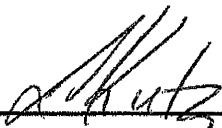
How the application is proposed to be heard or considered:

20. In person before the presiding Applications Judge in Chambers.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant what it wants in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

THIS IS EXHIBIT "29"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

From: Sam Hurl/CAN <Sam.Hurl@cushwake.com>
Sent: Monday, August 22, 2022 3:10 PM
To: Taylor-Smith, Nicole
Cc: Alan Farley/CAN; Susan Phan/CAN; Sean Ferguson/CAN; McNeil, Faith
Subject: RE: **[**EXT**]** Re: 4 32532 RR 42 - Tour Request [MTDMS-Legal.FID9619480]

Hi Nicole,

Want to follow up on the below. We will be reaching out to owners to set up a tour for Thursday and want to know if there are any rules we need to abide by with regards to taking pictures.

Thanks,

Sam Hurl
Associate
Industrial Sales & Leasing

Direct +1 403 261 1115
Mobile: +1 403 630 7215
sam.hurl@cushwake.com

From: Taylor-Smith, Nicole <ntaylor-smith@millert-homson.com>
Sent: Thursday, June 30, 2022 3:14 PM
To: Sam Hurl/CAN <Sam.Hurl@cushwake.com>
Cc: Alan Farley/CAN <Alan.Farley@ca.cushwake.com>; Susan Phan/CAN <Susan.Phan@ca.cushwake.com>; Sean Ferguson/CAN <Sean.Ferguson@ca.cushwake.com>; McNeil, Faith <fmcneil@millert-homson.com>
Subject: RE: **[**EXT**]** Re: 4 32532 RR 42 - Tour Request [MTDMS-Legal.FID9619480]

External Mail

Thanks Sam. I'll reach out to the various legal counsel to try to come to an understanding.

NICOLE T. TAYLOR-SMITH

Providing services on behalf of a Professional Corporation
Partner

Pronouns: She, Her, Hers

Miller Thomson LLP
3000, 700 - 9th Avenue SW
Calgary, Alberta T2P 3V4
Direct Line: +1 403.298.2401
Fax: +1 403.262.0007
Email: ntaylor-smith@millert-homson.com
millert-homson.com

Connect with us on [LinkedIn](#)

View my [web page](#)



Please consider the environment before printing this email.

From: Sam Hurl/CAN [<mailto:Sam.Hurl@cushwake.com>]
Sent: June 30, 2022 1:24 PM
To: Taylor-Smith, Nicole <ntaylorsmith@millერთhompson.com>
Cc: Alan Farley/CAN <Alan.Farley@ca.cushwake.com>; Susan Phan/CAN <Susan.Phan@ca.cushwake.com>; Sean Ferguson/CAN <Sean.Ferguson@ca.cushwake.com>; McNeil, Faith <fmcneil@millერთhompson.com>
Subject: RE: [**EXT**] Re: 4 32532 RR 42 - Tour Request [MTDMS-Legal.FID9619480]

Hi Nicole,

Wanted to update you on the tour yesterday. We had a bit of an issue... One of Mike's employees approached us while we were touring the space and told us, rather aggressively, that we were not allowed to take pictures of the machines and that they were not included in the sale, we apologized and he left. The group that I was touring through the space were not happy about the interaction and it made them feel quite uncomfortable. They expressed some concern that they are worried about the group causing damage to the property in the event of a sale.

I wanted to get some clarification for the future whether we are allowed to take pictures of the space and if they have any right to approach us and tell us what we can and cannot take pictures of? After the tour I went and talked with the individual who approached us and he informed me that Mike had told him that this was agreed upon with the bank that there were to be no pictures of any equipment in the space. It is quite difficult to take pictures of the property without including the equipment...

This group will likely want to have another tour in the next couple of weeks.

Regards,

Sam Hurl
Associate
Industrial Sales & Leasing

Direct: +1 403 261 1115
Mobile: +1 403 630 7215
sam.hurl@cushwake.com

From: Mike <mgkwik@gmail.com>
Sent: Tuesday, June 28, 2022 12:38 PM
To: Sam Hurl/CAN <Sam.Hurl@cushwake.com>; Sean Ferguson/CAN <Sean.Ferguson@ca.cushwake.com>; markehaldane@gmail.com
Cc: Alan Farley/CAN <Alan.Farley@ca.cushwake.com>; Susan Phan/CAN <Susan.Phan@ca.cushwake.com>; Taylor-Smith, Nicole <ntaylorsmith@millერთhompson.com>
Subject: Re: [**EXT**] Re: 4 32532 RR 42 - Tour Request [MTDMS-Legal.FID9619480]

External Mail

Thanks

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Sam Hurl/CAN
Sent: Tuesday, June 28, 2022 12:00 PM
To: Mike; Sean Ferguson/CAN; markehaldane@gmail.com
Cc: Alan Farley/CAN; Susan Phan/CAN; Taylor-Smith, Nicole
Subject: RE: **[**EXT**]** Re: 4 32532 RR 42 - Tour Request [MTDMS-Legal.FID9619480]

Hi Mike,

We are confirmed for tomorrow at 4pm.

Regards,

Sam Hurl
Associate
Industrial Sales & Leasing

Direct: +1 403 261 1115
Mobile: +1 403 630 7215
sam.hurl@cushwake.com

From: Sam Hurl/CAN
Sent: Tuesday, June 28, 2022 7:53 AM
To: Mike <mgkwik@gmail.com>; Sean Ferguson/CAN <Sean.Ferguson@ca.cushwake.com>; markehaldane@gmail.com
Cc: Alan Farley/CAN <Alan.Farley@ca.cushwake.com>; Susan Phan/CAN <Susan.Phan@ca.cushwake.com>; Taylor-Smith, Nicole <ntaylor-smith@millert-homson.com>
Subject: RE: **[**EXT**]** Re: 4 32532 RR 42 - Tour Request [MTDMS-Legal.FID9619480]

Mike,

Thanks, I will try to coordinate with the prospects and respond as soon as possible.

Regards,

Sam Hurl
Associate
Industrial Sales & Leasing

Direct: +1 403 261 1115
Mobile: +1 403 630 7215
sam.hurl@cushwake.com

From: Mike <mgkwik@gmail.com>
Sent: Tuesday, June 28, 2022 7:50 AM
To: Sam Hurl/CAN <Sam.Hurl@cushwake.com>; Sean Ferguson/CAN <Sean.Ferguson@ca.cushwake.com>; markehaldane@gmail.com
Cc: Alan Farley/CAN <Alan.Farley@ca.cushwake.com>; Susan Phan/CAN <Susan.Phan@ca.cushwake.com>
Subject: Re: **[**EXT**]** Re: 4 32532 RR 42 - Tour Request [MTDMS-Legal.FID9619480]

External Mail

4 PM

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Sam Hurl/CAN
Sent: Tuesday, June 28, 2022 7:42 AM
To: Mike; Sean Ferguson/CAN; markehaldane@gmail.com
Cc: Alan Farley/CAN; Susan Phan/CAN
Subject: RE: **[**EXT**]** Re: 4 32532 RR 42 - Tour Request [MTDMS-Legal.FID9619480]

Mike,

Let us know if you have had a chance to consult your counsel. Wanted to confirm the times at 3pm and 3:45pm scheduled are acceptable.

Thanks,

Sam Hurl
Associate
Industrial Sales & Leasing

Direct: +1 403 261 1115
Mobile: +1 403 630 7215
sam.hurl@cushwake.com

From: Taylor-Smith, Nicole <ntaylorsmith@millertomson.com>
Sent: Thursday, June 23, 2022 4:24 PM
To: Mike <mgkwik@gmail.com>; Sean Ferguson/CAN <Sean.Ferguson@ca.cushwake.com>; Sam Hurl/CAN <Sam.Hurl@cushwake.com>; markehaldane@gmail.com
Cc: Alan Farley/CAN <Alan.Farley@ca.cushwake.com>; Susan Phan/CAN <Susan.Phan@ca.cushwake.com>; McNeil, Faith <fmcneil@millertomson.com>
Subject: RE: **[**EXT**]** Re: 4 32532 RR 42 - Tour Request [MTDMS-Legal.FID9619480]

External Mail

Mike,

The Court Order provides that access must be granted for tours between the hours of 8:00 am to 8:00 pm upon 24 hours written notice. The listing agent can try to accommodate your reasonable operational needs when scheduling tours but it is important that the listing continue unimpeded and reasonable access be given for tours. There is no obligation on anyone to provide proof of insurance or anything else in order to be provided access for tours. I suggest you consult your legal counsel regarding your rights and obligations and have him contact me to discuss the situation should you continue to have concerns so we can find a solution that will work for all parties.

Thank you,
Nicole

NICOLE T. TAYLOR-SMITH
Providing services on behalf of a Professional Corporation
Partner

Pronouns: She, Her, Hers

Miller Thomson LLP
3000, 700 - 9th Avenue SW
Calgary, Alberta T2P 3V4
Direct Line: +1 403.298.2401
Fax: +1 403.262.0007
Email: ntaylor-smith@millerthomson.com
millerthomson.com

Connect with us on [LinkedIn](#)
View my [web page](#)



Please consider the environment before printing this email.

From: Mike [<mailto:mgkwik@gmail.com>]
Sent: June 23, 2022 4:07 PM
To: Sean Ferguson/CAN <Sean.Ferguson@ca.cushwake.com>; Sam Hurl/CAN <Sam.Hurl@cushwake.com>; markehaldane@gmail.com
Cc: Alan Farley/CAN <Alan.Farley@ca.cushwake.com>; Susan Phan/CAN <Susan.Phan@ca.cushwake.com>; Taylor-Smith, Nicole <ntaylor-smith@millerthomson.com>; McNeil, Faith <fmcneil@millerthomson.com>
Subject: **[**EXT**]** Re: 4 32532 RR 42 - Tour Request

Thanks Sean!

We will have counsel organize the tours during non-operating hours or we will need orientation or someone will need to show me insurance to cover these groups while they are at our working facility. My insurance does not cover non employees.

Respectfully,

Mike

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Sean Ferguson/CAN
Sent: Thursday, June 23, 2022 3:41 PM
To: Mike; Sam Hurl/CAN; markehaldane@gmail.com
Cc: Alan Farley/CAN; Susan Phan/CAN; Taylor-Smith, Nicole; McNeil, Faith
Subject: RE: 4 32532 RR 42 - Tour Request

Hello Mike,

We appreciate your sentiment however we are only attempting to perform and adhere to the terms outlined in our Judicial Listing Agreement. As part of our mandate, Cushman & Wakefield are involved to qualify prospective buyers to ensure they have genuine interest and not wasting anyone's time in order to sell the property for the Court. This is our 3rd tour request in the last 2 months, the first of which was just Sam and I so your response is surprising. We are not intending to add any stress to the process.

I've cc'd Miller Thompson on this reply so they are aware of the situation and would like to make an addition request to tour that same afternoon with a different group at 3:45 pm. Please let us know if this can be accommodated, thanks.

Sean Ferguson
Associate Vice President
Industrial Sales & Leasing

Direct: +1 403 261 1114
Mobile: +1 403 615 1893
sean.ferguson@cushwake.com

250 – 6th Ave SW Suite 2400
Calgary, AB T2P 3H7 | Canada

From: Mike <mgkwik@gmail.com>
Sent: Thursday, June 23, 2022 2:59 PM
To: Sam Hurl/CAN <Sam.Hurl@cushwake.com>; markehaldane@gmail.com
Cc: Sean Ferguson/CAN <Sean.Ferguson@ca.cushwake.com>; Alan Farley/CAN <Alan.Farley@ca.cushwake.com>; Susan Phan/CAN <Susan.Phan@ca.cushwake.com>
Subject: Re: 4 32532 RR 42 - Tour Request

External Mail

I think you should charge a non refundable deposit to weed out the tire kickers? Or business interruption fees? Or you start coming on weekends or after hours? It's the buildings for sale not the operation.

Sorry if this is too honest and direct but I have people and their families to keep from stressing out.

Thanks for the consideration!

Mike

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Sam Hurl/CAN
Sent: Thursday, June 23, 2022 2:32 PM
To: markehaldane@gmail.com; Mike
Cc: Sean Ferguson/CAN; Alan Farley/CAN; Susan Phan/CAN
Subject: 4 32532 RR 42 - Tour Request

Hi Mike and Mark,

We have a tour request for next week on Wednesday (June 29th) for 3pm. Let me know if this works for you.

If your employees are still working, that is no problem, we will make sure to stay out of your way while viewing.

Thanks,

Sam Hurl
Associate
Industrial Sales & Leasing

Direct: +1 403 261 1115
Mobile: +1 403 630 7215
sam.hurl@cushwake.com



250 – 6th Ave SW, Suite 2400
Calgary, AB T2P 3H7 | Canada
cushmanwakefield.com

The information contained in this email (including any attachments) is confidential, may be subject to legal or other professional privilege and contain copyright material, and is intended for use by the named recipient(s) only.

Access to or use of this email or its attachments by anyone else is strictly prohibited and may be unlawful. If you are not the intended recipient(s), you may not use, disclose, copy or distribute this email or its attachments (or any part thereof), nor take or omit to take any action in reliance on it. If you have received this email in error, please notify the sender immediately by telephone or email and delete it, and all copies thereof, including all attachments, from your system. Any confidentiality or privilege is not waived or lost because this email has been sent to you by mistake.

Although we have taken reasonable precautions to reduce the risk of transmitting software viruses, we accept no liability for any loss or damage caused by this email or its attachments due to viruses, interference, interception, corruption or unapproved access.

Please see our website to view our privacy notice / statement.

[EXTERNAL EMAIL / COURRIEL EXTERNE]

Please report any suspicious attachments, links, or requests for sensitive information.
Veuillez rapporter la présence de pièces jointes, de liens ou de demandes d'information sensible qui vous semblent suspectes.

You can [subscribe](#) to Miller Thomson's free electronic communications, or [unsubscribe](#) at any time.

CONFIDENTIALITY: This e-mail message (including attachments, if any) is confidential and is intended only for the addressee. Any unauthorized use or disclosure is strictly prohibited. Disclosure of this e-mail to anyone other than the intended addressee does not constitute waiver of privilege. If you have received this communication in error, please notify us immediately and delete this. Thank you for your cooperation. This message has not been encrypted. Special arrangements can be made for encryption upon request. If you no longer wish to receive e-mail messages from Miller Thomson, please contact the sender.

Visit our website at www.millerthomson.com for information about our firm and the services we provide.

Il est possible de [s'abonner](#) aux communications électroniques gratuites de Miller Thomson ou de s'en [désabonner](#) à tout moment.

CONFIDENTIALITÉ: Ce message courriel (y compris les pièces jointes, le cas échéant) est confidentiel et destiné uniquement à la personne ou à l'entité à qui il est adressé. Toute utilisation ou divulgation non permise est strictement interdite. L'obligation de confidentialité et de secret professionnel demeure malgré toute divulgation. Si vous avez reçu le présent courriel et ses annexes par erreur, veuillez nous en informer immédiatement et le détruire. Nous vous remercions de votre collaboration. Le présent message n'a pas été crypté. Le cryptage est possible sur demande spéciale. Communiquer avec l'expéditeur pour ne plus recevoir de courriels de la part de Miller Thomson.

Pour tout renseignement au sujet des services offerts par notre cabinet, visitez notre site Web à www.millerthomson.com

From: Taylor-Smith, Nicole
Sent: Monday, July 24, 2023 11:28 AM
To: Mike; Sean Ferguson/CAN
Cc: markehaldane@gmail.com; Alan Farley/CAN; Susan Phan/CAN; Chris Hoose
Subject: RE: **[**EXT**]** Re: Tour Request - 4-32532 RR 42 [MTDMS-Legal.FID9619480]
Attachments: 58093889_1_Letter to 1823741 Alberta Ltd. c.o.b. Kwik-Fab Energy Services .PDF; 53491436_1_Package demand for payment - 1823741 Alberta Ltd..PDF; 53491256_1_Package demand for payment - Michael James Ganser and Mark Edmund Haldane.PDF

Mike,

Attached is the Notice that was sent to 1823741 Alberta Ltd. pursuant to the Assignment of Rents. This governs the payment of rents.

The Redemption Order that I provided to you last week sets out your obligations as an occupant of the premises with respect to tours.

Lastly, I want to point out that 1823741 Alberta Ltd. is a guarantor of the debt and is jointly and severally liable with 1872806 Alberta Ltd for the debt. Attached is the demand letter that was sent when the loan went into default. BDC has a security interest in all of the assets of 1823741 Alberta Ltd. as security for guarantee. You are also personally liable with Mr. Haldane in the amount of \$500,000 plus interest and costs under a guarantee. Thus far BDC has been focused on sale of the land in the hope that a land sale would pay the debt however it is not obligated to try to sell the land first and may pursue other avenues of recovery such as seizure of assets of 1823741 Alberta Ltd. or enforcement against the personal guarantors. It is in the best interest of both 1823741 Alberta Ltd. and you personally to cooperate to see the land sold as quickly as possible.

Nicole

NICOLE T. TAYLOR-SMITH

Providing services on behalf of a Professional Corporation
Partner

Pronouns: She, Her, Hers

Miller Thomson LLP
3000, 700 - 9th Avenue SW
Calgary, Alberta T2P 3V4
Direct Line: +1 403.298.2401
Email: ntaylor-smith@millerthomson.com
millerthomson.com

Connect with us on [LinkedIn](#)
View my [web page](#)



From: Mike <mgkwik@gmail.com>
Sent: Thursday, July 20, 2023 2:02 PM

To: Taylor-Smith, Nicole <ntaylor-smith@millerthomson.com>; Sean Ferguson/CAN <Sean.Ferguson@ca.cushwake.com>
Cc: markehaldane@gmail.com; Alan Farley/CAN <Alan.Farley@ca.cushwake.com>; Susan Phan/CAN <Susan.Phan@ca.cushwake.com>; Chris Hoose <choose@stillmanllp.com>
Subject: Re: **[**EXT**]** Re: Tour Request - 4-32532 RR 42 [MTDMS-Legal.FID9619480]

Thanks Nicole!

I agreed to pay 10,500 according to BDC's request, that is a verbal agreement, I'm not sure what that entitles BDC too?

I know BDC has an issue with 1872806 not 1823741. There is an alleged assignment of rents between these two companies, no one has produced it?

The increase in disruption has a cost to 1823741. Is 1872806 willing to compensate?

Maybe someone could ask the president of 1872806 what he is willing to pay to continue to disrupt the occupant of the building who has agreed to make payments on his behalf to the bank he has defaulted with.

Thanks again for everyone's help and consideration!

Mike

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Taylor-Smith, Nicole
Sent: Thursday, July 20, 2023 9:47 AM
To: Mike Ganser; Sean Ferguson/CAN
Cc: markehaldane@gmail.com; Alan Farley/CAN; Susan Phan/CAN; Chris Hoose
Subject: RE: **[**EXT**]** Re: Tour Request - 4-32532 RR 42 [MTDMS-Legal.FID9619480]

Mike

I would like to reference you to the Redemption Order and Judicial Listing terms ordered by the Court (attached). Tours may be conducted upon 24 hours' notice between 8 am and 8 pm. Sean is giving you a window and allowing you some say in the timing as a courtesy. Your permission is not required. Tours may need to be conducted during business hours. Please make every effort to accommodate tour requests. If you do not do so, and if your tenancy becomes an impediment to the sale process we will need to consider alternatives. Chris should be able to advise you as to the process and your obligations under the Redemption Order.

Thank you,
Nicole

NICOLE T. TAYLOR-SMITH

Providing services on behalf of a Professional Corporation
Partner

Pronouns: She, Her, Hers

Miller Thomson LLP
3000, 700 - 9th Avenue SW
Calgary, Alberta T2P 3V4
Direct Line: +1 403.298.2401
Email: ntaylor-smith@millerthomson.com

millerthomson.com

Connect with us on [LinkedIn](#)
View my [web page](#)



From: Mike Ganser <mgkwik@gmail.com>
Sent: Thursday, July 20, 2023 8:29 AM
To: Sean Ferguson/CAN <Sean.Ferguson@ca.cushwake.com>
Cc: markehaldane@gmail.com; Alan Farley/CAN <Alan.Farley@ca.cushwake.com>; Susan Phan/CAN <Susan.Phan@ca.cushwake.com>; Taylor-Smith, Nicole <ntaylor-smith@millerthomson.com>; Chris Hoose <choose@stillmanllp.com>
Subject: **[**EXT**]** Re: Tour Request - 4-32532 RR 42

Sean,

When you find people that are serious, they will have no issue waiting or coming at 4 PM.

Your company continues to find browsers. I know people in this business, they understand operations and market. They understand we don't need any more interruptions or distractions at the workplace. If you expect cooperation, bring a deposit or one real client/offer.

I have added counsel to this email so that they can witness me, repeating myself.

Enjoy your day,

Mike

On Tue, Jul 18, 2023 at 3:46 PM Sean Ferguson/CAN <Sean.Ferguson@ca.cushwake.com> wrote:

We'd like to schedule a tour for 8:30 am or 2:00 pm this upcoming Friday, please let us know if either of these times can be accommodated. Thanks.

Sean Ferguson

Associate Vice President

Industrial Sales & Leasing

Direct: +1 403 261 1114

Mobile: +1 403 615 1893

sean.ferguson@cushwake.com

250 – 6th Ave SW Suite 2400

Calgary, AB T2P 3H7 | Canada

The information contained in this email (including any attachments) is confidential, may be subject to legal or other professional privilege and contain copyright material, and is intended for use by the named recipient(s) only.

Access to or use of this email or its attachments by anyone else is strictly prohibited and may be unlawful. If you are not the intended recipient(s), you may not use, disclose, copy or distribute this email or its attachments (or any part thereof), nor take or omit to take any action in reliance on it. If you have received this email in error, please notify the sender immediately by telephone or email and delete it, and all copies thereof, including all attachments, from your system. Any confidentiality or privilege is not waived or lost because this email has been sent to you by mistake.

Although we have taken reasonable precautions to reduce the risk of transmitting software viruses, we accept no liability for any loss or damage caused by this email or its attachments due to viruses, interference, interception, corruption or unapproved access.

For information on how your personal information is processed, including information on how to exercise state or country specific Privacy Rights please view our privacy notice here:
<https://www.cushmanwakefield.com/en/privacy-and-cookies>

--


Kwiksilver Technology Ltd.
Ph. (780) 753-0982

[EXTERNAL EMAIL / COURRIEL EXTERNE]

Please report any suspicious attachments, links, or requests for sensitive information.
Veuillez rapporter la présence de pièces jointes, de liens ou de demandes d'information sensible qui vous semblent suspects.

You can [subscribe](#) to Miller Thomson's free electronic communications, or [unsubscribe](#) at any time.

CONFIDENTIALITY: This e-mail message (including attachments, if any) is confidential and is intended only for the addressee. Any unauthorized use or disclosure is strictly prohibited. Disclosure of this e-mail to anyone other than the intended addressee does not constitute waiver of privilege. If you have received this communication in error, please notify us immediately and delete this. Thank you for your cooperation. This

message has not been encrypted. Special arrangements can be made for encryption upon request. If you no longer wish to receive e-mail messages from Miller Thomson, please contact the sender.

Visit our website at www.millerthomson.com for information about our firm and the services we provide.

Il est possible de [s'abonner](#) aux communications électroniques gratuites de Miller Thomson ou de s'en [désabonner](#) à tout moment.

CONFIDENTIALITÉ: Ce message courriel (y compris les pièces jointes, le cas échéant) est confidentiel et destiné uniquement à la personne ou à l'entité à qui il est adressé. Toute utilisation ou divulgation non permise est strictement interdite. L'obligation de confidentialité et de secret professionnel demeure malgré toute divulgation. Si vous avez reçu le présent courriel et ses annexes par erreur, veuillez nous en informer immédiatement et le détruire. Nous vous remercions de votre collaboration. Le présent message n'a pas été crypté. Le cryptage est possible sur demande spéciale. Communiquer avec l'expéditeur pour ne plus recevoir de courriels de la part de Miller Thomson.

Pour tout renseignement au sujet des services offerts par notre cabinet, visitez notre site Web à www.millerthomson.com

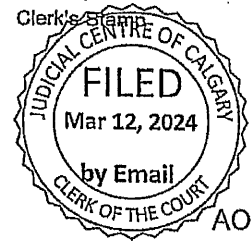
THIS IS EXHIBIT "30"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

COURT FILE NUMBER 2101-13327
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF BUSINESS DEVELOPMENT BANK OF CANADA
DEFENDANTS 1872806 ALBERTA LTD., 1823741 ALBERTA LTD. carrying on
business as KWIK-FAB ENERGY SERVICES,
MICHAEL JAMES GANSER AND MARK EDMUND HALDANE
DOCUMENT ORDER TO RENEW JUDICIAL LISTING



ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT MILLER THOMSON LLP
525 – 8th Avenue S.W., 43rd Floor,
Calgary, AB, Canada T2P 1G1
Attention: Nicole T. Taylor-Smith
Telephone: 403.298.2400 Fax: 403.262.0007
E-mail: ntaylor-smith@millerthomson.com
File No.: 0189999.0234

DATE ON WHICH ORDER WAS PRONOUNCED: March 12, 2024
LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta
APPLICATIONS JUDGE WHO MADE THIS ORDER: Applications Judge Farrington

UPON the application of the Plaintiff, Business Development Bank of Canada ("BDC"); AND UPON being referred to the Consent Redemption Order granted on March 30, 2022 (the "Redemption Order"); AND UPON being advised that the initial 90 day judicial listing commenced May 3, 2022; AND UPON being referred to the Consent Order to Extend Judicial Listing granted on August 9, 2022, the Consent Order to Extend Judicial Listing granted on November 2, 2022, the Consent Order to Extend Judicial Listing dated February 16, 2023, and the Consent Order to Extend Judicial Listing dated May 13, 2023, each of which extended the judicial listing for 90 days upon the terms set out in the Redemption Order; AND UPON hearing from counsel for BDC and counsel for any other interested parties;


IT IS HEREBY ORDERED AND DECLARED THAT:

1. In this Order the mortgaged lands are the following:


PLAN 0611068
BLOCK 1
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS

(the "Mortgaged Lands").

2. The judicial listing of the Mortgaged Lands shall be renewed for 120 days from the date of this Order.
3. The listing price for the Mortgaged Lands shall be reduced to \$1,750,000.00.
4. 1823741 Alberta Ltd., and/or any other party in occupation of the building located on the mortgaged lands (collectively the "Tenant"), is hereby directed to cooperate with the judicial listing agent to schedule tours for prospective purchasers in accordance with paragraph 10 of the Redemption Order. For clarity, such tours may occur during normal business hours and prospective purchasers may take photographs of the building and equipment provided that they do not take photographs of any persons who may be present. Notice of tours may be provided by email to mgkwik@gmail.com. The judicial listing agent will make reasonable efforts to provide the Tenant 72 hours' notice of any tours and to schedule tours after 1:00 pm if the tour is to occur on a weekday.


APPLICATIONS JUDGE IN CHAMBERS

THIS IS EXHIBIT "31"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

From: Laura Skorodenski
Sent: Monday, August 21, 2023 3:50 PM
To: 'Taylor-Smith, Nicole' <ntaylor-smith@millert-homson.com>
Cc: Kutz Admin <admin@KS-law.ca>
Subject: RE: [**EXT**] 1872806/Haldane/Ganser [MTDMS-Legal.FID9619480]

Good afternoon, Nicole,

Here's what I hear from Mr. Haldane:

*"187 does not own any of the equipment. Have no clue what assets are currently in 182 but it may have been an idea to go after those some time ago.
In my opinion the equipment should be sold somehow - it's cost prohibitive to remove it.
As a 35% shareholder of 182 and 50% in 187 I am in favour of selling the equipment."*

With regard to the equipment, this is a discussion that would have to go through Mr. Ganser, as the president and 65% shareholder of 182. However, should BDC opt to go after the equipment as part of the security under the 182's guarantee, Mr. Haldane would be in full support of that.

Best regards,

Laura K. Skorodenski
Barrister & Solicitor

KUTZ SKORODENSKI
Barristers, Solicitors, Notaries

#1, 102 – 2nd Street S.W.
P.O. Box 1848
Sundre, Alberta
T0M 1X0

Main: 403.638.3113
Fax: 403.638.3588
www.ks-law.ca

This electronic message contains information from the law firm of Kutz Skorodenski, which may be confidential or privileged. The information is intended for the use of the individual or entity named above. If you are not the intended recipient, be aware that any disclosure, copying, distribution or use of the contents of this information is prohibited. If you have received this electronic transmission in error, please notify us by telephone 403.638.3113 or by e-mail to L.skoro@ks-law.ca immediately.

From: Taylor-Smith, Nicole <ntaylor-smith@millert-homson.com>
Sent: Thursday, August 17, 2023 3:10 PM
To: Laura Skorodenski <L.Skoro@KS-law.ca>
Cc: Kutz Admin <admin@KS-law.ca>
Subject: RE: [**EXT**] 1872806/Haldane/Ganser [MTDMS-Legal.FID9619480]

Hi Laura,

I'm writing to determine if any of the equipment located on the mortgaged lands belongs to 1872806 AB or if it is all owned by 1823741 Alberta Ltd. Most of the prospective purchasers for the building are interested in the equipment. BDC is considering its options with respect to the equipment. If any of the equipment belongs to 1872806 it could be sold with the building and may make the building more saleable. If there is equipment owned by 1872806 AB on the lands could you please ask Mark Haldane for an equipment list?

Thank you,

Nicole

NICOLE T. TAYLOR-SMITH

Providing services on behalf of a Professional Corporation

Partner

Pronouns: She, Her, Hers

MILLER THOMSON LLP

3000, 700 - 9th Avenue SW

Calgary, Alberta | T2P 3V4

T +1 403.298.2401

ntaylor-smith@millerthomson.com

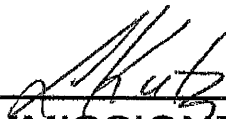
Connect with us on [LinkedIn](#)

View my [web page](#)



[Subscribe to our newsletters](#)

THIS IS EXHIBIT "32"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

Search ID #: Z17363353

Transmitting Party

CARON & PARTNERS LLP

2120 237 4 Avenue SW
CALGARY, AB T2P 4K3

Party Code: 50014059
Phone #: 403 262 3000
Reference #: 61882-000 DAH:lrc

Search ID #: Z17363353

Date of Search: 2024-May-10

Time of Search: 08:32:57

Business Debtor Search For:

1823741 ALBERTA LTD.

Exact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.



Search ID #: Z17363353

Business Debtor Search For:

1823741 ALBERTA LTD.

Search ID #: Z17363353

Date of Search: 2024-May-10

Time of Search: 08:32:57

Registration Number: 15060520566

Registration Date: 2015-Jun-05

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2045-Jun-05 23:59:59

Exact Match on: Debtor No: 1

Amendments to Registration

| | | |
|-------------|-----------|-------------|
| 15060520657 | Renewal | 2015-Jun-05 |
| 19062747788 | Amendment | 2019-Jun-27 |
| 23070432025 | Amendment | 2023-Jul-04 |

Debtor(s)

Block

Status
Current

1 1823741 ALBERTA LTD.
BOX 2258
SUNDRE, AB T0M 1X0

Secured Party / Parties

Block

Status
Deleted by
19062747788

1 BUSINESS DEVELOPMENT BANK OF CANADA
BOX 6,505 BURRARD ST
VANCOUVER, BC V7X 1M3
Phone #: 604 666 7467 Fax #: 604 666 1573

Block

Status
Deleted by
23070432025

2 BUSINESS DEVELOPMENT BANK OF CANADA
BOX 6,505 BURRARD ST
VANCOUVER, BC V7X 1M3
Phone #: 604 666 1916 Fax #: 604 666 1573
Email: legalwfsc@bdc.ca

Search ID #: Z17363353

Block

3 BUSINESS DEVELOPMENT BANK OF CANADA
1500 - 1133 MELVILLE STREET
VANCOUVER, BC V6E 4E5
Phone #: 604 666 1916 Fax #: 604 666 1573
Email: legalwfsc@bdc.ca

Status

Current by
23070432025

Collateral: General

Block

Description

1 ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY

Status

Current

Search ID #: Z17363353

Business Debtor Search For:

1823741 ALBERTA LTD.

Search ID #: Z17363353

Date of Search: 2024-May-10

Time of Search: 08:32:57

Registration Number: 23091323787

Registration Type: REPORT OF SEIZURE

Registration Date: 2023-Sep-13

Registration Status: Current

Registration Term: Infinity

Service Area 2

Amount being seized for is \$1,196,573.02.

Property was seized on 2023-Sep-11

| <u>Registration Type</u> | <u>Date</u> | <u>Registration #</u> | <u>Value</u> |
|--------------------------|-------------|-----------------------|----------------|
| Report of Seizure | 2023-Sep-11 | 23091323787 | \$1,196,573.02 |

Exact Match on: Debtor No: 1

Solicitor / Agent

MILLER THOMSON LLP
3000, 700 - 9TH AVENUE SW
CALGARY, AB T2P 3V4

Phone #: 403 298 2401

Reference #: 0189999.0234

Civil Enforcement Agent

CONSOLIDATED CIVIL ENFORCEMENT INC.
300, 801 MANNING ROAD NE
CALGARY, AB T2E 7M8

Phone #: 403 262 8800

Fax #: 403 262 8801

Debtor(s)

Block

1 1823741 ALBERTA LTD.
BOX 2258
SUNDRE, AB T0M 1X0

Status
Current

Search ID #: Z17363353

Creditor(s)

Block

Status

1 BUSINESS DEVELOPMENT BANK OF CANADA
1500 - 1133 MELVILLE STREET
VANCOUVER, BC V6E 4E5
Phone #: 604 666 1916 Fax #: 604 666 1573

Current

Collateral: Serial Number Goods

| <u>Block</u> | <u>Serial Number</u> | <u>Year</u> | <u>Make and Model</u> | <u>Category</u> | <u>Status</u> |
|---------------------|-----------------------------|--------------------|------------------------------|------------------------|----------------------|
| 1 | 1FUJF6CKY8D279865 | 2008 | Freightliner | MV - Motor Vehicle | Current |
| 2 | 1F1WW31P97ED50904 | 2007 | Ford F-150 | MV - Motor Vehicle | Current |
| 3 | 5L8PH202181013065 | 2008 | Load Max Trailer | TR - Trailer | Current |
| 4 | 1XKCP4TX325965682 | 2002 | Kenworth C500B | MV - Motor Vehicle | Current |
| 5 | 1NPXDB9X3AD113796 | 2010 | Peterbuilt 379 | MV - Motor Vehicle | Current |
| 6 | 2T9YAA2C6HD016070 | 2017 | Tycrop Trailer 53' | TR - Trailer | Current |
| 7 | 2DAGC1305CT012584 | 2012 | Double A Tridem Trailer | TR - Trailer | Current |
| 8 | 1FTRX14889FA43908 | 2009 | Ford F-150 | MV - Motor Vehicle | Current |
| 9 | 1PT04K1HX590098802 | 1995 | Trail Mobile 53' Trailer | TR - Trailer | Current |
| 10 | 1PT04KAHX59008794 | 1995 | Trail Mobile 53' Trailer | TR - Trailer | Current |
| 11 | 1UYVS25393G099218 | 2003 | Van Utility 53' Trailer | TR - Trailer | Current |
| 12 | B10056T219170H | 1900 | Telescopic Forklift | MV - Motor Vehicle | Current |
| 13 | 1JJV532W72F973377 | 1900 | Wabash Van Trailer 53' | TR - Trailer | Current |
| 14 | 1M1AW07448N001343 | 2008 | Mack CXY 613 | MV - Motor Vehicle | Current |
| 15 | 5KKJALCV54PM81125 | 2004 | Western Star | MV - Motor Vehicle | Current |

Collateral: General

| <u>Block</u> | <u>Description</u> | <u>Status</u> |
|---------------------|--|----------------------|
| 1 | 1 - Boehringer Goppiwgen s/n 0004790 | Current |
| 2 | 1 - Ooya RE 1225H s/n N75C3403 | Current |
| 3 | 1 - Vicon Plasma Cutter and Computer Equipment | Current |
| 4 | 1 - Hotsy Wash Unit s/n 11095840.160444 | Current |
| 5 | 1 - Hyo Mech Model S-20A | Current |
| 6 | 1 - Miller 252 Welding Unit | Current |
| 7 | 1 - Miller Welding Unit 22A s/n ME340563U | Current |

Search ID #: Z17363353

| | | |
|---|---|---------|
| 8 | 1 - Welding Unit. | Current |
| 9 | Additional items have been seized including a Schedule A. Refer to Civil Enforcement Agency for a complete listing. | Current |

Particulars

| <u>Block</u> | <u>Additional Information</u> | <u>Status</u> |
|---------------------|---|----------------------|
| 1 | Seizure effected on September 11, 2023. Goods left on site. | Current |

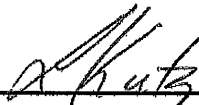
Blocks 0001 to 0008 in serial numbered goods were seized under Section 54 of the Civil Enforcement Act of Alberta. For Blocks 0012 and 0013 in serial numbered goods, the year was unknown at the time of seizure so the year 1900 was used to allow for registration against the serial number.

For a complete listing of seized property, as contained in the Notices of Seizure, contact our offices.

Our file: 179015-DP-2C

Result Complete

THIS IS EXHIBIT "33"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

Search ID #: Z17363358

Transmitting Party

CARON & PARTNERS LLP

2120 237 4 Avenue SW
CALGARY, AB T2P 4K3

Party Code: 50014059

Phone #: 403 262 3000

Reference #: 61882-000 DAH:lrc

Search ID #: Z17363358

Date of Search: 2024-May-10

Time of Search: 08:33:45

Business Debtor Search For:

1872806 ALBERTA LTD.

Exact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.



Search ID #: Z17363358

Business Debtor Search For:

1872806 ALBERTA LTD.

Search ID #: Z17363358

Date of Search: 2024-May-10 Time of Search: 08:33:45

Registration Number: 15060519163

Registration Date: 2015-Jun-05

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2045-Jun-05 23:59:59

Exact Match on: Debtor No: 1

Amendments to Registration

| | | |
|-------------|-----------|-------------|
| 15060519204 | Renewal | 2015-Jun-05 |
| 19070354543 | Amendment | 2019-Jul-03 |
| 23070603046 | Amendment | 2023-Jul-06 |

Debtor(s)

Block

Status

1 1872806 ALBERTA LTD.
BOX 2258
SUNDRE, AB T0M 1X0

Current

Secured Party / Parties

Block

Status

1 BUSINESS DEVELOPMENT BANK OF CANADA
BOX 6,505 BURRARD ST
VANCOUVER, BC V7X 1M3
Phone #: 604 666 7467 Fax #: 604 666 1573

Deleted by
19070354543

Block

Status

2 BUSINESS DEVELOPMENT BANK OF CANADA
BOX 6,505 BURRARD ST
VANCOUVER, BC V7X 1M3
Phone #: 604 666 1916 Fax #: 604 666 1573
Email: legalwfsc@bdc.ca

Deleted by
23070603046

Search ID #: Z17363358

Block

3 BUSINESS DEVELOPMENT BANK OF CANADA
1500 - 1133 MELVILLE STREET
VANCOUVER, BC V6E 4E5
Phone #: 604 666 1916 Fax #: 604 666 1573
Email: legalwfsc@bdc.ca

Status

Current by
23070603046

Collateral: General

Block

Description

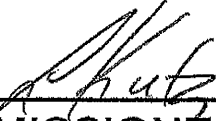
1 ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY

Status

Current

Result Complete

THIS IS EXHIBIT "34"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

Bailiff's Report

This is Exhibit "A" to the Affidavit of
Faith McNeil sworn before me on
December 12th, 2023. **179015-DP-2C**
Civil Enforcement Agency File Number

Creditor: **Business Development Bank of Canada**
Debtor: **1823741 Alberta Ltd.**

Elizabeth Fairhurst
A Commissioner for Oaths in and
for the Province of Alberta

Elizabeth Angela Fairhurst
A Commissioner for Oaths
in and for Alberta
My Commission expires December 14, 2025

I, Andrew Thompson, of Calgary, Alberta report that on 11 Sept 2023 I:

- effected seizure attempted seizure removed seized goods attempted removal
- enforced court order enforced Order for Possession attempted to enforce an order

at 4-32532 Range Rd 42 Mountain View Soudak

That in doing so I made 1 attempts and performed further investigations and work described in the addendum.

I served the following documents:

- Warrant
- Information for Debtor Form
- Notice of Seizure of Personal Property
- Notice of Surrender
- Notice - Appointment as Bailee
- Notice of Objection to Seizure of Personal Property
- Sale Notice
- Demand Notice Bailee
- Court Order _____

on the debtor(s)

MIKE GASSER

by attaching the documents to the seized personal property / posting in a conspicuous place.

The debtor provided the following email or fax number for service of future documents related to this file:

mgkwick@gmail.com

The seized property was:

Name, location, and phone number

Surrendered to: _____

Removed to: _____

Left on a Bailee's Undertaking at: 4-32532 Range Rd 42 Mountain View

Pictures were taken

I have attached an Addendum of 1 pages, each page forming part of this Report

I hereby certify that the information contained in this Report is true and complete. I understand that any false information may lead to charges under the Criminal Code and could result in the suspension or cancellation of my appointment as a bailiff.

Dated at Calgary, Alberta on 11 Sept 2023

Andrew Thompson

Bailiff Signature: Andrew Thompson

INSTRUCTING PARTY

Miller Thomson LLP (Calgary)
Barristers & Solicitors Suite 3000, 700
9th Avenue SW
Calgary Alberta T2P 3V4

CONTACT INFORMATION

Liz Rafuse
Direct Line: 403 668-8806
Ext: 8806
Email: lizr@cccbailliff.ca
Office: Calgary
Toll Free: 1 888 262 2626
Fax: 1 858 262 8803
Email: calgary@cccbailliff.ca

CIVIL ENFORCEMENT AGENCY

Consolidated Civil Enforcement Inc
300 801 Manning Road NE
Calgary AB T2E 7M8

Andrew Thompson,

Bailiff report,

1823741 Alberta Ltd 179015-DP-2C

11th Sept 2023.

I attended the file location of 4 -- 32532 Range Road 42, Mountain view, Nr Sundre, Alberta on the 11th Sept 2023 @ 11am and met with the debtor Mike Ganser as arranged, at the sawdust and wood chipping plant.

On my attendance he presented me with a pile of bills of sale, stating that everything at the location had been sold to another company 1883177 Alberta ltd that he owns on the 27th Jan 2021.

I advised the recovery Manager Liz Rafuse of the situation, and she contacted the client and it was confirmed that I should still seize.

The schedule A that was provided by the client was confirmed to be correct with the equipment at the location and Mike Ganser showed me around to confirm this. I seized several other items not on the bill of sale, or schedule A belonging to the debtor on site and took pictures.

I confirmed the serial numbered trucks and trailers that were at the location and then seized the other units as per the bill of sale under a section 54 desk top seizure under the civil enforcement act of Alberta as they were not present on my attendance.

Most of the equipment at the plant that produces saw dust and shavings appeared very old but still operating.

I served Mike Ganser the notice of seizures and addendums, a copy of the warrant and the copy of the explanation of the bailees undertaking, although he refused to sign it so I appointed him as bailee.

I left the location at 12.45pm on the 11th Sept 2023.

Andrew Thompson,

Bailiff 396

AMENDED
Notice of Seizure of Personal Property

TO: 1823741 Alberta Ltd.
Box 2258,, Sundre AB T0M 1X0
Name and Address of Debtor

Take notice that to satisfy a claim against you for the sum of \$1,196,573.02 plus costs and related Writs, if applicable.
Business Development Bank of Canada
c/o Barristers & Solicitors Suite 3000, 700 - 9th Avenue SW, Calgary Alberta T2P 3V4
Name and Address of Creditor

has caused the following personal property and personal property listed in the addendum to be seized:

- 1 2008 FREIGHT LINER S/N 1FJXFP6CKX8D279865
 - 1 2007 FORD F150 S/N 1F1XW31P97ED50704
 - 1 2008 LONK MAX TRAILER S/N 5L8P72021F1012065
 - 1 2002 KAWASATH C500B C/N 1XKCP4TK315965682
 - 1 2010 PETER BUILT 379 S/N 1NPKD39X3A0 113796
 - 1 2017 TYCROO TRAILER 53' S/N 2T9YAAZC6H006070
 - 1 2012 DOUBLE A TRUCK S/N 2DA9C1305XT012584
 - 1 2009 FORD F150 S/N 1F1RX14889FAL2908
- All Seized under SECTION 54 OF THE CIVIL ENFORCEMENT ACT OF ALBERTA

Addendum attached listing additional property. Yes No
Notice of Objection applicable to this seizure. Yes No

STRIKE-OUT IF NOT APPLICABLE - If you object to the seizure, you must deliver the Notice of Objection to the Civil Enforcement Agency listed below within 15 days from the day that the seizure documents were served.

Dated at Sundre, Alberta, on 11 Sept 2015 or 11 Sept 2015

Shomer A. HANSEN
Debtor's Signature Plaintiff Name

Civil Enforcement Agency
CONSOLIDATED civil enforcement
Please direct all communication to our office quoting file number 179015-DP-2C
300 801 Manning Road NE, Calgary AB T2E7Y5 Bhs: 403 262-8800 Fx: 403 262-8801
Edmonton Ph: 780 448-5833 Fx: 780 448-0698
Email: calgary@ceebjllf.ca / edmonton@ceebjllf.ca
Notice: If you have concerns about the way that this seizure was conducted, contact the Civil Enforcement Agency listed above. If you are unable to resolve your concerns with the Civil Enforcement Agency, you may contact the Sheriff - Civil Enforcement at (780) 422-2483.
Jan 805

AMENDED

Notice of Seizure of Personal Property

TO: 1823741 Alberta Ltd.
Box 2258,, Sundre AB T0M 1X0
Name and Address of Debtor

Take notice that to satisfy a claim against you for the sum of \$1,196,573.02 plus costs and related Writs, if applicable.
Business Development Bank of Canada
c/o Barristers & Solicitors Suite 3000, 700 - 9th Avenue SW, Calgary Alberta T2P 3V4
Name and Address of Creditor

has caused the following personal property and personal property listed in the addendum to be seized:

| | |
|--|--|
| | <u>Schedule A attached</u> |
| | <u>all other items on site belonging to</u> |
| | <u>debtor to satisfy the warrant + fees.</u> |
| | |
| | |
| | |
| | |
| | |
| | |

Addendum attached listing additional property. Yes No
Notice of Objection applicable to this seizure. Yes No

STRIKE OUT IF NOT APPLICABLE If you object to the seizure, you must deliver the Notice of Objection to the Civil Enforcement Agency listed below within 15 days from the day that the seizure documents were served.

Dated at Sundre, Alberta, on 11-sept 2011

Thompe A. Thompe
Debtor's Signature Print Name

Civil Enforcement Agency Please direct all communication to our office quoting file number 179015-DP-2C
CONSOLIDATED civil enforcement 300 801 Manning Road NE, Calgary AB T2E 7M8 Ph: 403 262-8800 Fx: 403 262-8801
Edmonton Ph: 780 448-5833 Fx: 780 448-0698
Email: calgary@ccebailiff.ca / edmonton@ccebailiff.ca

Notice: If you have concerns about the way that this seizure was conducted, contact the Civil Enforcement Agency listed above. If you are unable to resolve your concerns with the Civil Enforcement Agency, you may contact the Sheriff - Civil Enforcement at (780) 422-2481.

ADDENDUM TO NOTICE OF SEIZURE OF PERSONAL PROPERTY

| | |
|--------------------------------|---------------------------|
| 1 BOEHLINGER COMP. UNITS | 1 TELESCOPIC FORKLIFT S/N |
| - S/N 0004790 | - BROSSET 2191704 |
| 1 OORA RE 1225H | 1 WASHAM VAN TRAILER S3 |
| - S/N N75C3403 | - S/N 1JTV532W72F793277 |
| 1 VICON PLASMA CUTTER | 1 JCB 341 7047 |
| - + COMPUTER EQUIP. | - S/N JCB5A0BJTU1512047 |
| 1 GIANT TST PRESS | 1 JCB 6012 S/N MISSING |
| 1 HOISY WASH UNIT | 1 MACK TRUCK CXY 613 |
| - S/N 11095800-160444 | - S/N 1M1AW07448NCC1343 |
| 1 HYD MECH MOBILE CO2 | 1 2004 WESTERN STAR |
| 1 MILLER 25L WELDING UNIT | - S/N SNK JALCV54F8125 |
| 1 MILLER WELDING UNIT 22A | |
| - S/N ME3405630 | |
| 1 WELDING UNIT | |
| - MILLER ON SHOE UNIT | |
| - YELLOW BOX (PICS) | |
| 1 PEARSON PRESS | |
| 1 1995 TRAIL MOBILE TRAILER S3 | |
| - S/N 1PT04K1HX5900802 | |
| 1 1998 TRAIL MOBILE TRAILER S3 | |
| - S/N 1PT04K1HX59008194 | |
| 1 2003 VAN UTILITY TRAILER S3 | |
| S/N 1UYVS25343G099218 | |

Dated at Edmonton, Alberta, this 11 day of Sept 2023

[Signature]
Balliff's Signature

[Signature]
Print Name

Page 5
 179015 - DP-2C
 11th Sept 2023
 [Signature]

Updated: March 12, 2020

Monsieur View Eco-Products Schedule "A" Shavings Plant Equipment List

| Item Number | Date Purchased | Qty | Make | Model | Serial Number | Power | Color | Description | Value [€] | Additional Information |
|---|----------------|-----|----------------------------|-------------|---------------|--------|-------|---|------------|------------------------|
| Schedule "A" ... Shavings Plant Equipment | | | | | | | | | | |
| 1. | | 1 | Prester-Tech | A Station | | 30 hp | | BT-600R1 Automated 110" vertical compression bagger w/auto sealer (double strip), bag placer, discharge conveyor, dust collection, 13.5x16.5 tubes and 11x17.5 and 10x16 uppers and inserts | 110,000.00 | Order #10101998 |
| 2. | | 1 | Conveying Industries, Inc. | 10"x60"x50" | 0599E2224 | 500v | | Low level palletizer w/PLC and gear, Infeed and discharge conveyors | 90,000.00 | |
| 3. | | 1 | Signode | 20" | F50957 | 450v | | 2142 overhead wrapper | 18,000.00 | |
| 4. | | 1 | Machineries Verville Inc. | 3 Station | | 20 hp | | VP300 semi-automatic 02" vertical compression bagger w/12.5x17.5 tubes and 11x17.5 and 10x16 uppers and inserts, 8.5x14.5 tubes | 16,000.00 | |
| 5. | | 1 | Haren Engineering, Inc. | 24"x30" | | 20 hp | | hydraulic horizontal baler | 3,000.00 | |
| 6. | | 1 | US Metal Works, Inc. | 40 Unit | | 20 hp | | chop bin with baffle and hydraulic pack w/bin level sensors, ladders, platforms | 25,000.00 | |
| 7. | | 4 | LSI | 20 000 | | 20 hp | | stationary hydraulic power packer | 3,000.00 | |
| 8. | | 1 | Keith | 28"x96" | | n/a | | walking floor infeed trailer | 2,100.00 | |
| 9. | | 3 | Jaffy | 116"x12" | | 5 hp | | bio-deck maturing infeeds | 6,800.00 | |
| 10. | | 2 | LSI | 16"x20" | | 2 hp | | milk run belt transfer conveyor | 2,400.00 | |
| 11. | | 1 | LSI | 13"x18" | | 2 hp | | u-trough screw transfer conveyor | 1,200.00 | |
| 12. | | 1 | LSI | 10"x40" | | 2 hp | | Belt transfer conveyor | 1,200.00 | |
| 13. | | 1 | LSI | 30"x50" | | 5 hp | | milk run screener feed incline belt conveyor | 3,000.00 | |
| 14. | | 1 | Dillon | 6'x14' | | 7.5 hp | | Model 70 triple deck screener | 6,000.00 | |
| 15. | | 3 | LSI | 13"x12' | | 3 hp | | screened product collection bi-directional u-trough screw conveyor | 5,500.00 | |
| 16. | | 1 | LSI | 10"x11' | | 1 hp | | flines collection pan u-trough screw conveyor | 250.00 | |
| 17. | | 1 | LSI | 20"x16' | | 3 hp | | Twin screw Hammermill feed conveyor | 1,200.00 | |
| 18. | | 1 | Prater | 790 sq in. | 27684 | 50 hp | | GMFS Hammermill | 5,000.00 | |
| 19. | | 1 | Allied | 28"x10" | | 10 hp | | Hammermill vacuum blower | 1,200.00 | |

Scanned with CamScanner

Page 4
 179015-00-20
 11 Sept 2023
 J. J. J.

Mountaintop View Eco-Products Schedule "A" Sawings Plant Equipment List

| Item Number | Date Purchased | Qty | Make | Model | Serial Number | Power | Color | Description | Value (\$) | Additional Information |
|-------------|----------------|-----|-----------|--------------------|---------------|--------------|-------|--|------------|------------------------|
| 20. | | 1 | LSI | 48"x10' | | n/a | | Fines cyclone | 280.00 | |
| 21. | | 1 | LSI | 30"x28' | | 2 hp | | Fines discharge u-trough screen conveyor | 600.00 | |
| 22. | | 1 | LSI | 30"x40' | | 3 hp | | Incline belt fines conveyor | 600.00 | |
| 23. | | 1 | LSI | 18"x22' | | 1 hp | | Coarse recovery belt conveyor | 600.00 | |
| 24. | | 1 | LSI | 22"x8' | | 5 hp | | Coarse recovery blower | 600.00 | |
| 25. | | 1 | LSI | 36"x11' | | 25 hp | | Fines bin blower w/18" piping and cyclone | 3,000.00 | |
| 26. | | 1 | LSI | 30"x30' 18"x14' | | 2 hp 3 hp | | Retractable fines bin door belt conveyor | 3,000.00 | |
| 27. | | 1 | LSI | 16"x23' | | 2 hp | | Screened product belt transfer conveyor | 1,200.00 | |
| 28. | | 1 | LSI | 30"x50' | | 5 hp | | Screened product infed incline belt conveyor | 2,500.00 | |
| 29. | | 2 | Barcooka | 18"x48' 18"x43' | | 7.5 hp | | Fines bin discharge tube sugar conveyor | 2,500.00 | |
| 30. | | 2 | LSI | 16"x13' | | 3 hp | | Screened product through wall u-trough screen conveyor | 2,500.00 | |
| 31. | | 1 | LSI | 68"x128"x38' | | | | Outside support tower, platforms, ladders | 250.00 | |
| 32. | | 1 | LSI | 16"x7' | | 1 hp | | Cross u-trough screen conveyor | 250.00 | |
| 33. | | 2 | LSI | 16"x18' | | 3 hp | | BI-directional distribution u-trough screen conveyor | 2,500.00 | |
| 34. | | 1 | LSI | 58"x72"x24' | | | | Inside support tower, platforms, ladders | 250.00 | |
| 35. | | 1 | LSI | 16"x14' | | 3 hp | | V3308 feed u-trough screen conveyor | 1,100.00 | |
| 36. | | 1 | Prozier | 16"x30' | | 7.5 hp | | 48600 feed incline u-trough screen conveyor | 3,600.00 | |
| 37. | | 1 | Terit-Oxy | 64 bag | | 10371822 | n/a | 64-P10 baghouse, controller, air tank, ducting and airlock | 1,200.00 | |
| 38. | | 1 | LSI | 30"x10' | | 7.5 hp | | Baghouse vacuum blower and ducting | 1,200.00 | |
| 39. | | 1 | Cousins | 4500 lb. | | 118v | | HP 3208 auto turntable stretch wrapper | 22,100.00 | yet to be delivered |
| 40. | | 1 | Orion | 5000 lb. | | 6036088 | 118v | 184-16 steel automatic turntable stretch wrapper [non-pp] | 600.00 | |
| 41. | | 1 | Orion | 4000 lb. | | | 110 v | HP7 steel-automatic turntable stretch wrapper | 3,000.00 | |
| 42. | | 1 | LSI | | | | | Copling stand | 500.00 | |
| 43. | | 1 | Ingersoll | 50 cfm | | 8621162 | 15 hp | 15' 1 stage reciprocating air compressor with tank | 1,200.00 | |

Mountaintop View Eco-Products 844 North State Street

Page 3
 179015-02-20.
 11 Sept 2023
 Draven

Mountain View Eco-Products Schedule "A" Sawings Plant Equipment List

| Item Number | Date Purchased | Qty | Make | Model | Serial Number | Power | Color | Description | Value (\$) | Additional Information |
|-------------|----------------|-----|---|-------------|-------------------|-------|-------|---|------------|------------------------|
| 44. | | 1 | Ingersoll | 65 cfa | 2489628886 | 110v | | 0550 Dry-Star refrigerant air dryer | 250.00 | |
| 45. | | 1 | Ingersoll | 65 cfa | 0818612574-049882 | 110v | | 1550 Thermo-Star refrigerant air dryer | 250.00 | |
| 46. | | 1 | Keeler | 71 cfa | 1811 | 480v | | SK 15Y Rotary Air Compressor | 6,000.00 | |
| 47. | | 1 | Super Dry | 150 cfa | 2489628886 | 110v | | DA Desiccant dryer with auto drain | 600.00 | |
| 48. | | 1 | Atlas Copco | 83 cfa | CA1303199 | 110v | | FX 6 Refrigerant air dryer | 600.00 | |
| 49. | | 1 | Steel Fabricating & Welding Co. Limited | 100 gal | 5464858 | - | | 200 PSI surge tank | 300.00 | |
| 50. | | 1 | Hoffman | 72x48x24 | | - | | PLC Cabinet and contents | 250.00 | |
| 51. | | 1 | Allen Bradley | 4 Section | | - | | MCU in electrical room (not including 400/600 transformer for palletizer) | 1,200.00 | |
| 52. | | 1 | Hoffman | 25x24x12 | | - | | Soft start cabinet with 250 hp AH soft start - in electrical room | 250.00 | |
| 53. | | 1 | Allen Bradley | 3 Section | | - | | HCC w/softstart | 1,000.00 | |
| 54. | | 1 | Ace | 42x36x8 | | - | | North wall green panel and contents | 600.00 | |
| 55. | | 1 | EM | 42x36x10 | | - | | Screening tent control cabinet w/blodack VFDs | 600.00 | |
| 56. | | 1 | Hoffman | 24x20x8 | | - | | Storage tent control cabinet | 600.00 | |
| 57. | | 2 | - | - | | - | | blue tipper bins | 850.00 | |
| 58. | | 1 | - | - | | - | | blue tipper bin-larger | 600.00 | |
| 59. | | 8 | Pyro Chem | 2.5 Gallon | | - | | Water fire extinguishers (\$50 each) | 400.00 | |
| 60. | | - | - | - | | - | | Pallet racking & frames, 30 connector beams | 2,000.00 | |
| 61. | | - | - | - | | - | | Lunch/parts room and contents | 4,500.00 | |
| 62. | | - | - | - | | - | | Utility/tool room and contents | 2,000.00 | |
| 63. | | 1 | - | - | | - | | Value bag stacker | 500.00 | |
| 64. | | 2 | - | - | Various | - | | Extra propane bottles for forklift (\$75 each) | 150.00 | |
| 65. | | 1 | Calgary Steel Tank Ltd. | 1000 Gallon | HA572 | | | 1,000 gallon propane tank | 2,000.00 | |
| 66. | | 1 | - | - | | - | | Propane shed | 1,500.00 | |

Scanned with CamScanner

Mountain View Eco-Products Ltd (Bank Statement) Jan 2024

Page 6 - OP. 25
179015
11 Sept 2013

Updated: March 12, 2010

2 name

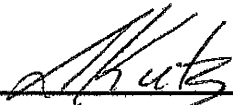
Mourifabri View Eco-Products Schedule "A" Shavings Plant Equipment List

| Item Number | Date Purchased | Qty | Make | Model | Serial Number | Power | Color | Description | Value (\$) | Additional Information |
|-------------|----------------|-----|--------------|----------------|---------------|-------|-------|--|------------|------------------------|
| 67. | | | | | | | | All wiring and tray connected to listed equipment (does not include any building wiring) | | |
| 68. | | 1 | | Forklift | | | | | 20,000.00 | |
| 69. | | 1 | | Zomboc | | | | | 50,000.00 | |
| 70. | | 1 | Toyota | Truck Fork | 13733 | | | | 38,000.00 | |
| 71. | | 1 | Vermeer | Bale Processor | | | | | 10,000.00 | |
| 72. | | 1 | 2010 JCB-541 | Teleshifter | | | | | 50,000.00 | |
| 73. | | 1 | 81 | Haybine | | | | | 7,500.00 | |
| 74. | | 1 | Case IH | Tractor | 2A2136558 | 40285 | | | 95,000.00 | |
| 75. | | 1 | 2009 Krone | 129B Baler | 776713 | | | | 50,000.00 | |
| | | | | | | | | | | |
| | | | | | | | | | Total | 571,500.00 |

Sale Price
\$ 290,465.00

Scanned with CamScanner

THIS IS EXHIBIT "35"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2024/05/10
 Time of Search: 08:31 AM
 Search provided by: CARON & PARTNERS LLP
 Service Request Number: 42106991
 Customer Reference Number: 61882-000 DAH:lrc

Corporate Access Number: 2018831772
Business Number: 820764769
Legal Entity Name: MOUNTAINVIEW ECO PRODUCTS LTD.

Name History:

| Previous Legal Entity Name | Date of Name Change (YYYY/MM/DD) |
|----------------------------|----------------------------------|
| 1883177 ALBERTA LTD. | 2020/12/03 |

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2015/03/11 YYYY/MM/DD

Registered Office:

Street: 5018 50 AVENUE
City: LLOYDMINSTER
Province: ALBERTA
Postal Code: T9V0W7

Records Address:

Street: 5018 50 AVENUE
City: LLOYDMINSTER
Province: ALBERTA
Postal Code: T9V0W7

Email Address: CORPORATE@REVERINGLAW.COM

Primary Agent for Service:

| Last Name | First Name | Middle Name | Firm Name | Street | City | Province | Postal Code | Email |
|-----------|------------|-------------|---------------------------|-------------------|--------------|----------|-------------|---------------------------|
| REVERING | DONNON | F. | REVERING LAW OFFICE | 5018 50 AVE | LLOYDMINSTER | ALBERTA | T9V0W7 | CORPORATE@REVERINGLAW.COM |

Directors:

Last Name: GANSER
First Name: MICHAEL
Middle Name: JAMES
Street/Box Number: BOX 603
City: PROVOST
Province: ALBERTA
Postal Code: T0B3S0

Voting Shareholders:

Last Name: GANSER
First Name: MICHAEL
Middle Name: JAMES
Street: BOX 603
City: PROVOST
Province: ALBERTA
Postal Code: T0B3S0
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE ATTACHED SCHEDULE ONE
Share Transfers Restrictions: SEE ATTACHED SCHEDULE TWO
Min Number Of Directors: 1
Max Number Of Directors: 10
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE ATTACHED SCHEDULE THREE

Other Information:

Last Annual Return Filed:

| File Year | Date Filed (YYYY/MM/DD) |
|-----------|-------------------------|
| 2024 | 2024/03/27 |

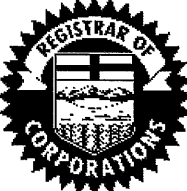
Filing History:

| List Date (YYYY/MM/DD) | Type of Filing |
|------------------------|---|
| 2015/03/11 | Incorporate Alberta Corporation |
| 2016/09/08 | Change Address |
| 2019/03/20 | Change Director / Shareholder |
| 2020/02/22 | Update BN |
| 2020/12/03 | Name Change Alberta Corporation |
| 2024/03/27 | Enter Annual Returns for Alberta and Extra-Provincial Corp. |

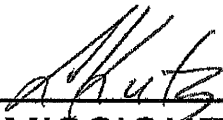
Attachments:

| Attachment Type | Microfilm Bar Code | Date Recorded (YYYY/MM/DD) |
|---|--------------------|----------------------------|
| Share Structure | ELECTRONIC | 2015/03/11 |
| Restrictions on Share Transfers | ELECTRONIC | 2015/03/11 |
| Other Rules or Provisions | ELECTRONIC | 2015/03/11 |

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



THIS IS EXHIBIT "36"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

1823741 Alberta Ltd.

(the " Corporation ")
(19397 DFR)

MINUTES OF A MEETING OF THE
SHAREHOLDERS OF **1823741 ALBERTA LTD.**
HELD AT THE REGISTERED OFFICE OF THE
CORPORATION ON MAY 31, 2020

PRESENT:

Mike Ganser

- acting as Chairman of the meeting

Mark Haldane

- acting as Secretary of the meeting

and being all of the shareholders of the above named Corporation.

WAIVER:

The undersigned consent to this meeting being held at the above time and place to transact such business as may come before the meeting and waives notice thereof.

Mike Ganser



Mark Haldane

RESOLUTIONS:

ON MOTION DULY MADE AND SECONDED AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

1. The balance sheet, statement of profit and loss and surplus for the past fiscal year of the Corporation, together with the report of the Corporation's accountants to the directors was approved and adopted.
2. There be two directors of the Corporation for the ensuing year and that the following hold office until the next Annual Meeting of the Shareholders or until the Shareholders determine otherwise:

| | |
|--------------------|---------------------|
| Mike Ganser | Mark Haldane |
|--------------------|---------------------|
3. All acts, contracts, resolutions, proceedings, appointments, elections and payments made, done and taken by the directors of the Corporation since the last Annual as referred to in

the minutes of the directors or in the reports of the Corporation be approved, ratified and confirmed.

4. In the event that the Corporation has earnings, the directors are authorized to record bonuses to the management employee(s) of the Corporation in such amount as may be determined from time to time.
5. The directors have authority and discretion, upon the death of an employee or former employee, to pay to the surviving spouse of such employee or any other person or Corporation, a death benefit of up to Ten Thousand (\$10,000.00) Dollars.
6. In accordance with the Business Corporations Act, no auditor be appointed for the Corporation; the Corporation having the authority to exempt itself from the statutory requirement to appoint an auditor. It was acknowledged that such resolution will remain in effect only until the next Annual Meeting of the Shareholders. To comply with the provisions of the Business Corporations Act, the undersigned all of the shareholders consent to this resolution by their signatures to these minutes.

ADJOURNMENT:

There being no further business, it was resolved that the meeting be adjourned.

Mike Ganser



Mark Haldane

THIS IS EXHIBIT "37"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

----- Original Message -----

Subject: RE: Financial Statements for 1823741 Alberta Limited
Date: Tue, 27 Apr 2021 00:29:49 +0000
From: Scott Greenwald <Scott.Greenwald@mnp.ca>
To: "l.skoro@ks-law.ca" <l.skoro@ks-law.ca>
Cc: "choose@stillmanllp.com" <choose@stillmanllp.com>

Hello

The December 31, 2020 year end for 1823741 Alberta Ltd. has not been prepared as of yet. Our office has not received any bookkeeping records, back up, or any source documents to prepare the year end from, so I unfortunately have nothing I can provide for the 2020 year end. I am unsure of what the intended timing is and when we will be receiving the records to prepare the year end.

Thanks
Scott

Scott Greenwald, CPA, CGA
BUSINESS ADVISOR

PH. 306.825.9855
FAX 306.825.9640
401 4908 42nd Street
Lloydminster, SK
S9V 0E5
scott.greenwald@mnp.ca
mnp.ca

-----Original Message-----

From: Laura K. Skorodenski
Sent: April 26, 2021 2:28 PM
To: Scott Greenwald
Cc: choose@stillmanllp.com
Subject: Financial Statements for 1823741 Alberta Limited

CAUTION: This email originated from outside of the MNP network. Be cautious of any embedded links and/or attachments.

MISE EN GARDE: Ce courriel ne provient pas du réseau de MNP. Méfiez-vous des liens ou pièces jointes qu'il pourrait contenir.

Good afternoon Mr. Greenwald,

I represent Mr. Mark Haldane, a 35% shareholder in 1823741 Alberta Limited. On behalf of my client, I am requesting a copy of corporate financial statements for the December 31, 2020 fiscal year end. I have cc'd Mr. Chris Hoose, counsel for Mr. Michael Ganser, a 65% shareholder in 1823741 Alberta Ltd. on this email request.

The financial statements are requested in conjunction with a very time sensitive matter, and as such, while I do know that this is an extremely busy time for you, your prompt attention to this request would be greatly appreciated.

I thank you in advance for you anticipated cooperation

Regards,

Laura K. Skorodenski
Barrister & Solicitor

KUTZ SKORODENSKI
Barristers, Solicitors, Notaries

#1, 102 – 2nd Street S.W.
P.O. Box 1848
Sundre, Alberta
T0M 1X0

Main: 403.638.3113

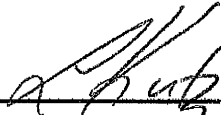
Fax: 403.638.3588

[\\$">https://urldefense.com/v3/ http://www.ks-law.ca ;!!CBowfw0!qvD4q479c47QnDQ0rSKbtNBm-Q3n5C6RudJ4qOwxj0endRtflIJOhskTwV8ry3rSEq0 \\$](https://urldefense.com/v3/http://www.ks-law.ca;!!CBowfw0!qvD4q479c47QnDQ0rSKbtNBm-Q3n5C6RudJ4qOwxj0endRtflIJOhskTwV8ry3rSEq0)

This electronic message contains information from the law firm of Kutz Skorodenski, which may be confidential or privileged. The information is intended for the use of the individual or entity named above. If you are not the intended recipient, be aware that any disclosure, copying, distribution or use of the contents of this information is prohibited. If you have received this electronic transmission in error, please notify us by telephone 403.638.3113 or by e-mail to L.skoro@ks-law.ca immediately.

This email and any accompanying attachments contain confidential information intended only for the individual or entity named above. Any dissemination or action taken in reliance on this email or attachments by anyone other than the intended recipient is strictly prohibited. If you believe you have received this message in error, please delete it and contact the sender by return email. In compliance with Canada's Anti-spam legislation (CASL), if you do not wish to receive further electronic communications from MNP, please reply to this email with "REMOVE ME" in the subject line.

THIS IS EXHIBIT "38"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

From: **Scott Greenwald** <Scott.Greenwald@mnp.ca>

Date: Tue, Mar 1, 2022 at 8:44 AM

Subject: RE: 1872806 and 1823741 Alberta Ltd

To: Mark Haldane <markehaldane@gmail.com>

Hi Mark

Will definitely get your email address updated on everything.

For 1872806 Alberta Ltd. we will update the address on our files and with CRA to the Box 2258 Sundre address as provided and update that phone to 403 638 6748.

I have attached the April 2020 and 2021 financial statements for 1872806 Alberta Ltd. (building company). I have attached the financial statements for 1823741 Alberta Ltd (operating company) for December 2020. We have not received any information for the 2021 year end yet so I have nothing to provide you at this point. I can't really give you a time frame at all as have no idea when we will receive it.

Thanks

Scott

Scott Greenwald, CPA, CGA
BUSINESS ADVISOR

PH. 306.825.9855
FAX 306.825.9640
401 4908 42nd Street
Lloydminster, SK
S9V 0E5
scott.greenwald@mnp.ca
mnp.ca

The logo for MNP, consisting of the letters 'MNP' in a bold, italicized, sans-serif font.

Member of Praxity, AISBL
Global Alliance of Independent Firms

From: Mark Haldane <markehaldane@gmail.com>

Sent: February 28, 2022 8:24 AM

To: Scott Greenwald <Scott.Greenwald@mnp.ca>

Subject: 1872806 and 1823741 Alberta Ltd

CAUTION: This email originated from outside of the MNP network. Be cautious of any embedded links and/or attachments.

MISE EN GARDE: Ce courriel ne provient pas du réseau de MNP. Méfiez-vous des liens ou pièces jointes qu'il pourrait contenir.

Good morning Scott. It's Mark Haldane here - just wanted to touch base on some things - I have a new email address so if you could please update your records to this address that would be appreciated. The Cielo and Kwik-Fab addresses are no longer active.

Could you please also update the address for 1872806 Alberta Ltd - within the paperwork you sent to me a while ago - the address appeared as Box 270. This is incorrect - the address should not have been changed from its original address of Box 2258. If you could please update the address for this company to Box 2258 Sundre Ab T0M 1X0 and phone number is 403 638 6748.

We had a Directors Meeting with Ganser last week - I have not been receiving financials for 1823741 Alberta Ltd (quarterly or year end) - he suggested I contact you directly to receive same.

Please send year end for 2020 and 2021 for all companies to this address. Have you received any financial information for the year end yet for 2021 for 1823741 and any idea when we might expect this to be finalized?

Thank you. We will be making a payment to clear the last invoice received for 1872806.

Please call if you have any questions; thanks in advance.

Mark Haldane

403 638 6748

This email and any accompanying attachments contain confidential information intended only for the individual or entity named above. Any dissemination or action taken in reliance on this email or attachments by anyone other than the intended recipient is strictly prohibited. If you believe you have received this message in error, please delete it and contact the sender by return email. In compliance with Canada's Anti-spam legislation (CASL), if you do not wish to receive further electronic communications from MNP, please reply to this email with "REMOVE ME" in the subject line.

THIS IS EXHIBIT "39"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

From: **Mark Haldane** <markehaldane@gmail.com>
Date: Fri, Nov 18, 2022 at 10:48 AM
Subject: Re: 1872806 Alberta Ltd. April 30, 2022 Year end
To: Scott Greenwald <Scott.Greenwald@mdp.ca>

Hi Scott - just following up; thanks
Mark

On Nov 9, 2022, at 10:22 AM, Mark Haldane <markehaldane@gmail.com> wrote:

Hi Scott - received this from BDC re payments
<attachment 1.pdf>

On Nov 1, 2022, at 8:56 AM, Mark Haldane <markehaldane@gmail.com> wrote:

Good morning Scott - just following up on this; thanks.
Mark

On Oct 20, 2022, at 10:43 AM, Mark Haldane <markehaldane@gmail.com> wrote:

Thanks Scott - believe the triple net item ~\$94000 should be revisited and corrected. Still don't know what the \$315 to gteam is for? Assuming you have made adjustments as discussed below and I am endeavouring to get BDC statements. Also; any more word on the financials for 182? Last I recall you were still awaiting information from Ganser.
Thanks
Mark

On Sep 14, 2022, at 4:57 PM, Scott Greenwald <Scott.Greenwald@mdp.ca> wrote:

Hi Mark

Please see responses. I will update the file where I have mentioned, and then will send you a new version of the draft statements and the journal entries/trial balance to ensure you are good with everything.

Mark: Why are the rents and interest not being recorded as income and then written off as bad debts - don't we want to show that 182 has been billed for these?

- We can certainly add those journal entries. We would set up the accounts receivable for the full year of rental payments. And then we would record a journal entry to write off the accounts receivable as bad debt. If there has been monthly invoicing done, we will record to match to that. I will go ahead and record these journal entries.

Mark: As above

- In terms of recording the interest for the BDC loan, I have no idea what the correct number is. I don't have any statements that show what the interest payments were for the year and what the balance at April 30, 2022 is. So if you can get me a statement that shows these numbers I can certainly make those journal entries to record.

Mark: So 182 (or someone we don't know who) is making payments to BDC - assuming there should be some kind of accounting record somewhere that would show where/how these payments are made - not sure how this reflects for 187 considering that is the company that owns the building/mortgage...?

- You are absolutely correct. If someone else is making the payments on behalf of 1872806, the way it would have to get recorded would be to record the change in the loan and the interest expense, and the offset would be shown as an amount owing to whoever made those payments. But in order to do so, would need to know what the loan balance as at April 30, 2022 is and the interest paid during the year.

Mark: It's not an Advance from Related parties - I think the entire amount \$94765 + \$11979 may have been incorrectly recorded as the property taxes and utilities were included in the triple net rental agreement with 182 since inception. The increase \$11979 should not be included for taxes; gst and MNP bill paid by 182 as there was no agreement by 187 to allow payments by 182.

- I can reverse the entry for the \$11,979. It would then just leaving the payables for the GST and Tax on the balance sheet, but I can make notes about it.

Mark: See above.

- For the GST receivable, it is mainly due to the reversal of the Accounts Receivable that was set up in the prior year and never collected. In recording of bad debt, the GST is reversed as part of it.

Mark: See above and also re GTeam/Kwiksilver reallocation - on what basis was this reallocation done and 187 was not informed of the change in Related Party Balances so why/how was this changed?

- If this was not approved or known, I can certainly not make that entry and will leave the balance the same as they were in prior year.

Mark: Not sure where any earnings came from?

- This is a loss. It really comes from the amortization on the property.

In summary, we need the BDC statement for April 30, 2022 in order to balance the loan and get the interest recorded.

Thanks
Scott

Scott Greenwald, CPA, CGA
BUSINESS ADVISOR

PH. 306.825.9855
FAX 306.825.9640
401 4908 42nd Street
Lloydminster, SK
S9V 0E5
scott.greenwald@mnp.ca
mnp.ca

<image001.jpg>

<image002.jpg>

From: Mark Haldane <markehaldane@gmail.com>
Sent: September 7, 2022 6:01 PM
To: Scott Greenwald <Scott.Greenwald@mnp.ca>
Subject: Re: 1872806 Alberta Ltd. April 30, 2022 Year end

CAUTION: This email originated from outside of the MNP network. Be cautious of any embedded links and/or attachments.

MISE EN GARDE: Ce courriel ne provient pas du réseau de MNP. Méfiez-vous des liens ou pièces jointes qu'il pourrait contenir.

Hi Scott - following up on this; thanks.

Mark

On Aug 25, 2022, at 11:47 AM, Mark Haldane <markehaldane@gmail.com> wrote:

And there is \$315 owing to Gteam - not sure what that is...

On Thu, Aug 25, 2022 at 11:46 AM Mark Haldane <markehaldane@gmail.com> wrote:

Hi Scott; thanks. Will respond below...

On Tue, Aug 16, 2022 at 4:21 PM Scott Greenwald <Scott.Greenwald@mnp.ca> wrote:

Hi Mark

I have included responses to your questions in your email below.

Thanks
Scott

Scott Greenwald, CPA, CGA
BUSINESS ADVISOR

PH. 306.825.9855
FAX 306.825.9640
401 4908 42nd Street
Lloydminster, SK
S9V 0E5
scott.greenwald@mnp.ca
mnp.ca

From: Mark Haldane <markehaldane@gmail.com>

Sent: August 9, 2022 8:25 PM

To: Scott Greenwald <Scott.Greenwald@mnp.ca>

Subject: Re: FW: 1872806 Alberta Ltd. April 30, 2022 Year end

CAUTION: This email originated from outside of the MNP network. Be cautious of any embedded links and/or attachments.

MISE EN GARDE: Ce courriel ne provient pas du réseau de MNP. Méfiez-vous des liens ou pièces jointes qu'il pourrait contenir.

Hi Scott; thanks for this. Have some questions:

-What are bad debts \$27600? -- In 2021 year there was Accounts Receivable set up of \$50,400 for rent payments that were behind. As they weren't paid, and they aren't going to be paid, the accounts receivable was reversed through bad debt. The same was also done on Accrued Interest. As there was no interest paid this year, the accounts payable that was set up last year was reversed. It was also run through the paid debt account. So the \$27,600 is the net of these two amounts.

Mark: Why are the rents and interest not being recorded as income and then written off as bad debts - don't we want to show that 182 has been billed for these?

-Can you explain please no interest on long term debt or does this relate somehow to non payment of rent? Not sure how all this relates to payments to BDC? -- this relates directly to the fact that no rent is being paid and therefore no loan payments are being made. As it is unclear what is going to happen in terms of the payout of the loan, we can simply record all of the interest and updated balances when something happens.

Mark: As above

-How are the BDC payments being captured? - it is my understanding that no payments occurred during the year therefore nothing has been captured. If this understanding is incorrect, please let me know as we can then attribute any payments that were made and credit them to who paid them.

Mark: So 182 (or someone we don't know who) is making payments to BDC - assuming there should be some kind of accounting record somewhere that would show where/how these payments are made - not sure how this reflects for 187 considering that is the company that owns the building/mortgage...?

-Why does Advances from Related parties increase - if the increase is related to KF payment of utilities/property taxes I would question the items as this was part of the triple

net rental agreement with 182 (see also question under Trial Balance) – this is in relation to payments made for taxes, GST, and MNP bill by 1823741 AB. If these amounts were paid by someone else I can certainly update if this allocation is incorrect.

Mark: It's not an Advance from Related parties - I think the entire amount \$94765 + \$11979 may have been incorrectly recorded as the property taxes and utilities were included in the triple net rental agreement with 182 since inception. The increase \$11979 should not be included for taxes; gst and MNP bill paid by 182 as there was no agreement by 187 to allow payments by 182.

-Why is there a gst receivable? - this is a result of the reversal of the Accounts Receivable for rent. In the prior year when the Accounts Receivable was set up, it included the GST collected, which was submitted to CRA. When reversing, because the amount was never paid, it then becomes a GST receivable as you had submitted GST that was never collected.

Mark: See above.

On Trial Balance would appreciate your help to explain:

-The adjustments in JJ Related Party Balances. – the Kwik Fab change is due to the payments mentioned above. The GTeam/Kwiksilver changes is an allocation between the companies. No change in total amount, just reallocated.

Mark: See above and also re GTeam/Kwiksilver reallocation - on what basis was this reallocation done and 187 was not informed of the change in Related Party Balances so why/how was this changed?

-Current portion long term debt. – this is the expected principle repayments to come in the next 12 months on the loan. Because no payments are being made have left the balance as \$0

-Retained earnings. – this is the calculation of Assets less Liabilities. It is calculated as prior year retained earnings (deficit of 9,209.11) plus the prior year earnings of \$19,926.40 gets to the retained earnings of \$10,717.29.

Mark: Not sure where any earnings came from?

Thanks Scott - appreciate your help.

Mark

On Fri, Jul 29, 2022 at 2:11 PM Scott Greenwald <Scott.Greenwald@mdp.ca> wrote:

Hi Mark

We have completed the year end for 1872806 Alberta Ltd. for April 30, 2022. The attachments to this email include the following:

1. Financial statements
2. Sign and Return – pages 2 and 4 of this need to be signed and returned to our office. If you prefer we can send these as a onespan email for e-signing.
3. Digital Client Package – this document includes the transmittal letter (page 2), engagement letter (page 5), financial statements (page 13), corporate tax return (page 17), and adjusting entries and trial balance (page 52).
4. Final invoice

As per our earlier chat, we didn't record any revenue for the year since there is no expectation at this point of this rent being collected. If it does come in, it can be recorded as received. As a result, we have therefore reversed the prior accounts receivable. The same applies for the loan, we have reversed prior years accrued interest as we have no idea what is going to happen at this point. As things happen or become more known we can record things at that time.

With the payment you had made when you sent the records in, there remains a credit on the account of \$441, after the attached invoice.

Thanks
Scott

Scott Greenwald,
CPA, CGA
BUSINESS ADVISOR

PH. 306.825.9855
FAX 306.825.9640
401 4908 42nd Street
Lloydminster, SK
S9V 0E5
scott.greenwald@mnp.ca
mnp.ca

From: Patricia Short <Patricia.Short@mnp.ca>
Sent: July 29, 2022 10:28 AM
To: Scott Greenwald <Scott.Greenwald@mnp.ca>
Subject: 1872806 Alberta Ltd. April 30, 2022 Year end

Patricia Short

Senior Admin

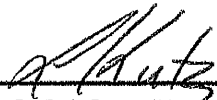
PH. 306.825.9855
FAX 306.825.9640
401 4908 42nd Street
Lloydminster, SK
S9V 0E5
patricia.short@mnp.ca
mnp.ca

This email and any accompanying attachments contain confidential information intended only for the individual or entity named above. Any dissemination or action taken in reliance on this email or attachments by anyone other than the intended recipient is strictly prohibited. If you believe you have received this message in error, please delete it and contact the sender by return email. In compliance with Canada's Anti-spam legislation (CASL), if you do not wish to receive further electronic communications from MNP, please reply to this email with "REMOVE ME" in the subject line.

This email and any accompanying attachments contain confidential information intended only for the individual or entity named above. Any dissemination or action taken in reliance on this email or attachments by anyone other than the intended recipient is strictly prohibited. If you believe you have received this message in error, please delete it and contact the sender by return email. In compliance with Canada's Anti-spam legislation (CASL), if you do not wish to receive further electronic communications from MNP, please reply to this email with "REMOVE ME" in the subject line.

This email and any accompanying attachments contain confidential information intended only for the individual or entity named above. Any dissemination or action taken in reliance on this email or attachments by anyone other than the intended recipient is strictly prohibited. If you believe you have received this message in error, please delete it and contact the sender by return email. In compliance with Canada's Anti-spam legislation (CASL), if you do not wish to receive further electronic communications from MNP, please reply to this email with "REMOVE ME" in the subject line.

THIS IS EXHIBIT "40"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

KUTZ SKORODENSKI

Barristers, Solicitors, Notaries

#1, 102 – 2nd Street S.W.
P.O. Box 1848
Sundre, Alberta
T0M 1X0
Toll Free: 1.866.638.3113
Main: 403.638.3113
Fax: 403.638.3588
www.ks-law.ca

LAURA K. SKORODENSKI
Associate
Direct: 403.638.3113
email: L.skoro@ks-law.ca

Legal Assistant: Terri Diewold
Direct: 403.638.3113
email: admin@ks-law.ca

Our File No: 11629/11630-LKS
Your File No:

Via email: mandy@reveringlaw.com
Original via regular mail

October 2, 2023

1823741 Alberta Ltd
c/o Revering Law Office
5018-50 Avenue
Lloydminster, AB
T9V 0W7

Attn: Michael Ganser

Dear Sir:

RE: 1823741 Alberta Ltd
Demand for Financial Statements

I represent Mr. Mark Haldane, a shareholder in 1823741 Alberta Ltd. This is a formal demand for the production of the most recent financial statements including a current list of corporate assets, such documents to be delivered to this office no later than October 23, 2023.

Should the requested documents fail to be produced by October 23, 2023, my client will be demanding the production of audited financials.

Yours truly,



LAURA K. SKORODENSKI

Annual financial statements

155(1) Subject to section 156, the directors of a corporation shall place before the shareholders at every annual meeting

- (a) the following financial statements as prescribed:
 - (i) if the corporation has not completed a financial period and the meeting is held after the end of the first 6-month period of that financial period, a financial statement for the period that began on the date the corporation came into existence and ended on a date occurring not earlier than 6 months before the annual meeting;
 - (ii) if the corporation has completed only one financial period, a financial statement for that year;
 - (iii) if the corporation has completed 2 or more financial periods, comparative financial statements for the last 2 completed financial periods;
 - (iv) if the corporation has completed one or more financial periods but the annual meeting is held after 6 months has expired in its current financial period, a financial statement for the period that
 - (A) began at the commencement of its current financial period, and
 - (B) ended on a date that occurred not earlier than 6 months before the annual meeting,in addition to any statements required under subclause (ii) or (iii),
 - (b) the report of the auditor, if any, and
 - (c) any further information respecting the financial position of the corporation and the results of its operations required by the articles, the bylaws or any unanimous shareholder agreement.
- (2) Notwithstanding subsection (1)(a)(iii), the financial statements for the earlier of the 2 financial periods referred to in that subclause may be omitted if the reason for the omission is set out in the financial statements, or in a note to them, to be placed before the shareholders at the annual meeting.

Copies to shareholders

159(1) A corporation shall, not less than 21 days before each annual meeting of shareholders or before the signing of a resolution under section 141(2) instead of the annual meeting, send a copy of the documents referred to in section 155 to each shareholder, except to a shareholder who has informed the corporation in writing that the shareholder does not want a copy of those documents.

(2) A corporation that, without reasonable cause, contravenes subsection (1) is guilty of an offence and liable to a fine of not more than \$5000.

(3) Notwithstanding subsection (1), the shareholders may, by unanimous resolution, waive their right to receive copies of documents referred to in section 155 in advance of the annual meeting.

THIS IS EXHIBIT "41"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

From: AJ Mokelky
Sent: Thursday, October 12, 2023 2:06 PM
To: L.Skoro@KS-law.ca
Subject: RE: 1823741 Alberta Ltd.

Good afternoon Ms. Skorodenski,

I reviewed this matter after receiving your e-mail. For clarity Mr. Haldane attended at questioning and provided answers to undertaking in April 2022.

There has been an exchange of correspondence since that time and I will attach all correspondence for your records. I will likely need to send in two separate e-mails.

As you are no doubt aware our office represents the corporation and is in a conflict in the shareholder dispute. We did receive your letter requesting financial statements and forwarded same to Michael Ganser. We do not have the financials in the corporate minute book. Mr. Ganser responded that there is nothing preventing your client from accessing the financials from the corporate accountant. Given the conflict I do intend to involve myself further in this issue.

If you have any questions or concerns based on the attachments please do not hesitate to contact me.

Best,

AJ

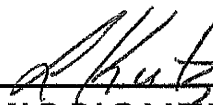


AJ Mokelky
Lawyer

5018 – 50 Avenue, Lloydminster, AB T9V 0W7
Phone: 780-875-9800
Fax: 780-875-8150
Email: aj@reveringlaw.com

Any settlement discussion in this communication is without prejudice, unless otherwise specifically indicated. Without prior written authorization from Revering Law Office, this email address is not a valid address for service pursuant to Rule 11.21 of the Alberta Rules of Court and Rule 12-4(2)(d) of the Saskatchewan Rules of Court. This e-mail message is intended for the use of the individual or entity to which it is addressed, and may contain information that is privileged, confidential, and/or exempt from disclosure under applicable law. Any other distribution, copying, or disclosure is strictly prohibited. If you have received this message in error, please notify us immediately by telephone at 780-875-9800 and reply to the sender via e-mail, confirming deletion of the original e-mail and any attachment(s). Thank you for your attention and cooperation.

THIS IS EXHIBIT "42"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

KUTZ SKORODENSKI

Barristers, Solicitors, Notaries

#1, 102 – 2nd Street S.W.
P.O. Box 1848
Sundre, Alberta
T0M 1X0
Toll Free: 1.866.638.3113
Main: 403.638.3113
Fax: 403.638.3588
www.ks-law.ca

LAURA K. SKORODENSKI
Associate
Direct: 403.638.3113
email: Lskoro@ks-law.ca

Legal Assistant: Terri Diewold
Direct: 403.638.3113
email: admin@ks-law.ca

Via email: corporate@reveringlaw.com
Original via registered mail

Our File No: 11629/11630-LKS
Your File No:

November 8, 2023

1823741 Alberta Ltd
c/o Revering Law Office
5018-50 Avenue
Lloydminster, AB
T9V 0W7

Attn: Michael Ganser

Dear Sir:

RE: 1823741 Alberta Ltd
Demand for Audited Financial Statements

As you are aware, on October 2, 2023 Mr. Haldane demanded the production of financial statements for 1823741 Alberta Ltd, to occur no later than October 23, 2023. The response that this office received from Revering Law was that you had instructed that office that Mr. Haldane could request the documents from MNP. Mr. Haldane has made repeated attempts to obtain those records from MNP with no success.

This is a formal demand for the production of audited financials for 1823741 Alberta Ltd., including:

1. 2021 year end, including a comparative financial statement for 2020.
2. 2022 year end, including a comparative financial statement for 2020 and 2021.

My client is also demanding a current detailed inventory of all corporate equipment, machinery and vehicles, as well as payables and receivables up to and including October 31, 2023.

All records demanded must be delivered to this office no later than December 15, 2023.


My client requires confirmation that MNP has been instructed to provide the audited financials, and that your bookkeeper has been instructed to compile the current records evidencing the corporate equipment, machinery and vehicles, as well as the payables and receivables up to and including October 31, 2023.

I anticipate your earliest response.

Yours truly,


LAURA K. SKORODENSKI

THIS IS EXHIBIT "43"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

KUTZ SKORODENSKI

Barristers, Solicitors, Notaries

#1, 102 – 2nd Street S.W.
P.O. Box 1848
Sundre, Alberta
T0M 1X0
Toll Free: 1.866.638.3113
Main: 403.638.3113
Fax: 403.638.3588
www.ks-law.ca

LAURA K. SKORODENSKI
Associate
Direct: 403.638.3113
email: L.skoro@ks-law.ca

Legal Assistant: Terri Diewold
Direct: 403.638.3113
email: admin@ks-law.ca

Our File No: 11629/11630-LKS
Your File No:

Via email: scott.greenwald@mnp.ca

November 8, 2023

MNP
401 4908 42nd Street
Lloydminster, SK
S9V 0E5

Attn: Scott Greenwald, CPA, CGA

Dear Sir:

RE: 1823741 Alberta Ltd
Demand for Audited Financial Statements

I have been retained by Mr. Mark Haldane, a 35% shareholder in 1823741 Alberta Ltd.

This is a formal demand for the production of audited financials for 1823741 Alberta Ltd., including:

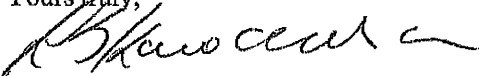
1. 2021 year end, including a comparative financial statement for 2020.
2. 2022 year end, including a comparative financial statement for 2020 and 2021.

My client is also demanding a current detailed inventory of all corporate equipment, machinery and vehicles, as well as payables and receivables up to and including October 31, 2023.

Please provide the above information by December 15, 2023, to this office.

The demand for the production of the above records has been forwarded to 1823741 at the registered office concurrently with the delivery of this correspondence. Should you have any questions or concerns, please do not hesitate to contact me.

Yours truly,



LAURA K. SKORODENSKI

THIS IS EXHIBIT "44"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

From: Bill Stemp <bill@stemp.com>
Sent: Thursday, December 7, 2023 11:01 AM
To: Laura Skorodenski <L.Skoro@KS-law.ca>
Cc: Kari Ivey <kari@stemp.com>; Tasha Traynor <tasha@stemp.com>
Subject: Your client Mark Haldane 1823741 Alberta Ltd.

Good morning. I have your letter of November 8/23 addressed to Mr. Ganser for reply. I am in the process of being retained by Mr. Ganser and request that no action be taken by you prejudicial to my client's interests without full and sufficient prior written notice to my office. Please contact my office exclusively henceforth.

Regarding your request for the audited financial statements, audited statements will not be provided due to the very high cost. My client has no problem providing your client with unaudited statements. He doesn't have them and has requested them from MNP and he's following up with that firm to obtain them and as soon as they have been obtained we would be happy to send them to you.

Regarding the Civil Claim that you filed December 15/22, please tell me why you waited almost 2 years to file this claim and what's happened since. It seems to me that if your client was serious that there was money owing to him that he would've filed legal action well before December/22. My client has just told me that he was unaware of this civil claim until he received your letter.

It has not been served upon him. Again please take no action against my client without full and sufficient notice to my office.

Bill Stemp
Stemp & Company
1670, 734 - 7 Avenue S.W.
Calgary, Alberta T2P 3P8
Direct: 403-777-1125
Fax: 403-777-1124
Dictated, thus please excuse any errors.

THIS IS EXHIBIT "45"
referred to in the Affidavit of
Mark Edmund Haldane
Sworn before me this 24th
day of May, 2024.



A COMMISSIONER OF OATHS
in and for the Province of Alberta

LAURA K. KUTZ
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

COURT FILE NUMBER: 2203-18590
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE EDMONTON
PLAINTIFF/DEFENDANT 1823741 ALBERTA LTD.
BY COUNTERCLAIM
DEFENDANT BY MICHAEL JAMES GANSER
COUNTERCLAIM
DEFENDANT/PLAINTIFF MARK EDMUND HALDANE
BY COUNTERCLAIM

DOCUMENT: **CONSENT TO ACT**

ADDRESS FOR SERVICE BDO CANADA LIMITED
AND CONTACT 110, 5800 – 2 Street SW
INFORMATION OF Calgary, Alberta T2H 0H2
PARTY FILING THIS Phone: 403-777-9999
DOCUMENT Fax: 403-640-0591
Attention: Kevin Meyler

BDO CANADA LIMITED hereby consents to be appointed as Receiver and Manager, or Receiver, of 1823741 Alberta Ltd. and 1872806 Alberta Ltd.

DATED the 24th day of May, 2024.

BDO CANADA LIMITED

Per: 

Kevin Meyler
Senior Vice President