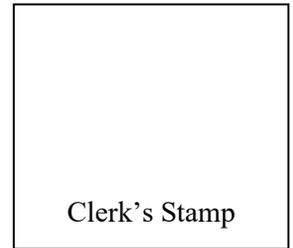


COURT FILE NUMBER 2203 04647
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE EDMONTON
PLAINTIFF ROYAL BANK OF CANADA
DEFENDANTS 1692260 ALBERTA LTD.,
BIRKILL HOLDINGS LTD.,
R. BIRKILL PROFESSIONAL CORPORATION,
1015314 ALBERTA LTD., and
RICHARD BIRKILL



DOCUMENT **APPLICATION**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT MLT Aikins LLP
2200, 10235 – 101 Street
Edmonton, AB T5J 3G1
Phone: 780-969-3500
Fax: 780-969-3549
Attention: Dana Nowak / Molly McIntosh
File No: 31617-38

NOTICE TO THE RESPONDENTS (Service List, attached hereto as Schedule "A"):

This application is made against you. You are the respondents.

You have the right to state your side of this matter before the judge.

To do so, you must be in court when the application is heard as shown below:

Date: May 24, 2022
Time: 2:00 p.m.
Where: Edmonton Law Courts
Before Whom: Virtually, before the Honourable Mr. Justice K. Feth (Booked on the Commercial List)

Go to the end of this document to see what you can do and when you must do it.

Remedy claimed or sought:

1. The Applicant, MNP Ltd. (“**MNP**” or the “**Receiver**”), in its capacity as the Court-Appointed Receiver of 1692260 Alberta Ltd. (“**169**”) and Birkill Holdings Ltd. (“**BHL**”), seeks the following from this Honourable Court:
 - a. an Order substantially in the form attached hereto as **Schedule “B”** (the “**Sale Approval and Vesting Order**”):
 - i. abridging, if necessary, the time for service of this Application and materials in support thereof, and declaring service of same to be good and sufficient;
 - ii. approving the proposed sale of, and vesting title to, the Property (as defined herein) of 169 to a proposed arm’s length purchaser, CLS Holdings Ltd. (the “**Purchaser**”), as recommended by the Receiver;
 - iii. authorizing and directing the Receiver to take all steps reasonably required to carry out the proposed sale;
 - iv. granting leave to the Receiver to apply to this Court for advice and directions as may be necessary to carry out the terms of any Order granted at the within Application;
 - b. an Order substantially in the form attached hereto **Schedule “C”** sealing the confidential addendum (the “**Confidential Addendum**”) to the Receiver’s Report, dated May 16, 2022 (the “**First Report**”) until such time as the proposed sale closes or this Honourable Court otherwise orders (the “**Sealing Order**”);
 - c. an Order substantially in the form attached hereto as **Schedule “D”** approving the actions of the Receiver taken in these proceedings and as outlined in the First Report (the “**Approval Order**”); and
 - d. an Order granting such further and other relief as circumstances may require and as this Honourable Court shall deem appropriate.
2. All capitalized terms used herein that are not otherwise defined have the meaning ascribed to them in the First Report.

Grounds for Making this Application:

Sale Approval and Vesting Order

3. By way of an Order of this Honourable Court granted on March 24, 2022, MNP was appointed the receiver of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceedings thereof of 169 and BHL (the “**Receivership Order**”), provided however that certain Excluded Lands (as defined in the Receivership Order) were expressly excluded from the Property (as defined in the Receivership Order).

4. 169 owns a commercial property located in Wandering River, Alberta, which is legally described as follows:

PLAN 8721985
BLOCK 2
LOT 1A
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 0.68 HECTARES (1.68 ACRES) MORE OR LESS

(the “**Property**”).

5. The Property is located near the Hamlet of Wandering River, in Athabasca County, Alberta and is comprised of 16 cabins.

6. The Receiver implemented a brief marketing process in respect of the Property in order to capitalize on the 2022 tourism season. A description of the marketing process and the Receiver’s evaluation of the outcome of same are particularized in First Report and the Confidential Addendum to the First Report.

7. The Receiver received an offer (the “**Offer**”) to purchase the Property and associated chattels (collectively, the “**Purchased Assets**”) from the Purchaser.

8. The Receiver made a series of counter offers to the Purchaser, resulting in a revised offer as outlined in the Confidential Addendum to the First Report (the “**Revised Offer**”)

9. For the reasons set out in the Confidential Addendum to the First Report, the Receiver has determined that the Revised Offer is commercially reasonable.

10. For the reasons set out in the Confidential Addendum to the First Report, the Receiver has determined that the Revised Offer is commercially reasonable.
11. The Receiver has provided a draft form of Asset Purchase Agreement (the “APA”) to the Purchaser and expects the final form of the APA to remain substantially the same without any material changes. A copy of the APA is appended to the Confidential Addendum.
12. In the Receiver’s view, the terms of the APA are fair and reasonable and APA is in the best interests of 169 and the parties having an interest in the property of 169.

Temporary Sealing Order

13. The Confidential Addendum contains confidential information regarding the value of the Purchased Assets, the disclosure of which is likely to materially jeopardize the value which the Receiver might subsequently obtain in respect of the Purchased Assets if the APA does not close and were the Receiver required to further market the Purchased Assets.

Approval of the Receiver’s Activities to Date

14. The Receiver has faithfully carried out its duties in accordance with the Receivership Order. The Receiver’s actions as described in the First Report and the Confidential Addendum are fair and reasonable and were carried out in accordance with the mandate provided by this Honourable Court by means of the Receivership Order.

Other

15. Such further and other grounds as counsel may advise and this Honourable Court may permit.

Material or evidence to be relied on:

16. This notice of Application, filed;
17. The Receiver’s Report, dated May 16, 2022, filed;
18. The Confidential Addendum to the Receiver’s Report, dated May 16, 2022, unfiled;
19. The Receivership Order, granted March 24, 2022;
20. Brief of Law, dated May 16, 2022;

21. Notice to Media of Application to Restrict Access regarding the request to temporarily seal the Confidential Addendum to the First Report, a copy of which will be provided to this Honourable Court on or before the hearing of this Application;
22. Affidavit of Service of Maritza Garcia, to be filed;
23. All pleadings, affidavits and other materials filed in this Action; and
24. Such further and other material as counsel may advise and this Honourable Court may permit.

Applicable Rules:

25. *Alberta Rules of Court*, AR 124/2010, Part 6 - Divisions 1 and 4, Rules 11.27 and 13.5; and
26. Such further and other Rules as counsel may advise and this Honourable Court may permit.

Applicable Acts and Regulations:

27. *Bankruptcy and Insolvency Act*, RSC 1985 c B-3, as amended, including section 243;
28. *Personal Property Security Act*, RSA 2000, c P-7, as amended, including section 65;
29. *Judicature Act*, RSA 2000, c J-2, as amended, including sections 8 and 13; and
30. Such further and other legislation as counsel may advise and this Honourable Court may permit.

Any Irregularity Complained of or Objection Relied On:

31. None.

How the Application is Proposed to be Heard or Considered:

32. Virtually, before the Honourable Mr. Justice K. Feth in Chambers (booked on the Commercial List).

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want 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 time shown at the beginning of the form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.

SCHEDULE “A”

(to Application)

SERVICE LIST

Royal Bank of Canada v 1692260 Alberta Ltd.

(as at May 16, 2022)

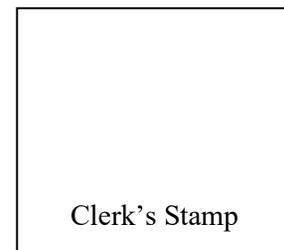
PARTY	CONTACT
Dentons Canada LLP 2500 Stantec Tower 10220-103 Ave NW Edmonton, AB T5J 0K4 Counsel for Royal Bank of Canada	Dean Hitesman: dean.hitesman@dentons.com Nicholas Williams: Nicholas.williams@dentons.com
Duncan Craig LLP Suite 2800, 10060 Jasper Ave Edmonton, AB T5J 3V9 Counsel for Agriculture Financial Services Corporation	Ryan Quinlan: rquinlan@dellp.com
Miller Thomson LLP #2700, 10155 102 Street Edmonton, AB T5J 4G8 Counsel for Servus Credit Union Ltd.	Rick Reeson: rreeson@millერთhompson.com Bryan Hosking: bhosking@millერთhompson.com
MLT Aikins LLP 10235 101 Street NW Suite 2200 Edmonton, AB T5J 3G1 Counsel for the Court-Appointed Receiver	Dana Nowak: dnowak@mltaikins.com
MNP Ltd 10235 101 Street NW Suite 1300 Edmonton, AB T5J 3G1 Court-Appointed Receiver	Eric Sirrs: eric.sirrs@mnp.ca Karen Aylward: karen.aylward@mnp.ca
Sharek Logan & van Leenen LLP 2100 Scotia Place, 10060 Jasper Ave Edmonton, AB T5J 3R8 Counsel for 1692260 Alberta Ltd, Birkill Holdings Ltd., R. Birkill Professional Corporation, 1015314 Alberta Ltd., and Richard Birkill	David Archibold: darchibold@sharekco.com

Bodkin, A Division of Bennington Financial Group 102-1465 North Service RD E Oakville ON L6H 1A7	
Canada Revenue Agency Canada Place, Floor Main 9700 Jasper Ave Edmonton, AB T5J 4C3	George Body: George.body@justice.gc.ca
CWB National Leasing Inc. 1525 Buffalo Place Winnipeg MB R3T 1L0	Emmanuel Tiku: debtenforcement@cwbnationalleasing.com
Meridian Onecap Credit Corp. Suite 1500, 4710 Kingsway Burnaby BC V5H 4M2	absecparties@avssystems.ca
Maureen E. Murdoch Barrister & Solicitor 9650 75 Ave NW Edmonton, AB T6E 1H6	Maureen Murdoch: maureenmurdoch@shaw.ca
Counsel for Ms. Birkill	
Lac La Biche County PO Box 1676 Lac La Biche, AB T0A 2C0	Fax: 1-780-623-2039
Athabasca County 3602 48 Ave Athabasca AB T9S 1M8	Fax: 1-780-675-5512

SCHEDULE "B"

(to Application)

COURT FILE NUMBER	2203 04647
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	EDMONTON
PLAINTIFF	ROYAL BANK OF CANADA
DEFENDANTS	1692260 ALBERTA LTD., BIRKILL HOLDINGS LTD., R. BIRKILL PROFESSIONAL CORPORATION, 1015314 ALBERTA LTD., and RICHARD BIRKILL
DOCUMENT	SALE APPROVAL AND VESTING ORDER (Sale by Receiver)
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	MLT Aikins LLP 2200, 10235 – 101 Street Edmonton, AB T5J 3G1 Phone: 780-969-3500 Fax: 780-969-3549 Attention: Dana Nowak / Molly McIntosh File: 31617-38



DATE ON WHICH ORDER WAS PRONOUNCED: **May 24, 2022**

LOCATION WHERE ORDER WAS PRONOUNCED: **Edmonton Alberta**

NAME OF JUSTICE WHO MADE THIS ORDER: **Mr. Justice K. Feth**

UPON THE APPLICATION by MNP Ltd. in its capacity as the Court-appointed receiver (the “**Receiver**”) of the undertakings, property and assets of 1692260 Alberta Ltd. (the “**Debtor**”) for an order approving the sale transaction (the “**Transaction**”) contemplated by an asset purchase agreement (the “**APA**”) between the Receiver and CLS Holdings Ltd. (the “**Purchaser**”) and appended to the Confidential Addendum to the Report of the Receiver dated May 16, 2022 (respectively the “**Confidential Addendum**” and “**First Report**”), and vesting in the Purchaser (or its nominee) the Debtor’s right, title and interest in and to the assets described in the APA (the “**Purchased Assets**”); **AND UPON HAVING READ** the Receivership Order dated March 24, 2022 (the “**Receivership Order**”), the First Report, the Confidential Addendum to the First Report, and the Affidavit of Service of Maritza Garcia sworn on May 16, 2022; **AND UPON HEARING** the submissions of counsel for the Receiver and Agriculture Financial Services Corporation, and any other counsel present; **AND UPON** no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

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

APPROVAL OF TRANSACTION

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

VESTING OF PROPERTY

3. Upon delivery of a Receiver's certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule "A"** hereto (the "**Receiver's Closing Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets [listed in **Schedule "B"** hereto] shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, "**Claims**") including, without limiting the generality of the foregoing:
 - a. any encumbrances or charges created by the Receivership Order;
 - b. any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system;
 - c. any liens or claims of lien under the *Builders' Lien Act* (Alberta); and
 - d. those Claims listed in **Schedule "C"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule "D"** (collectively, "**Permitted Encumbrances**"))

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

4. Upon delivery of the Receiver's Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Receiver's Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser or its nominee clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing:
 - a. the Registrar of Land Titles ("**Land Titles Registrar**") for the lands defined below shall and is hereby authorized, requested and directed to forthwith:
 - i. cancel existing Certificates of Title No. 132 296 924 for those lands and premises municipally described as 50A Street, Wandering River , and legally described as:

PLAN 8721985
BLOCK 2
LOT 1A
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 0.68 HECTARES (1.68 ACRES) MORE OR LESS

(the "**Lands**");
 - ii. issue a new Certificate of Title for the Lands in the name of the Purchaser (or its nominee) (the "**New Certificate of Title**");
 - iii. transfer to the New Certificate of Title the existing instruments listed in **Schedule "D"**, to this Order, and to issue and register against the New Certificate of Title such new caveats, utility rights of ways, easements or other instruments as are listed in **Schedule "D"**; and
 - iv. discharge and expunge the Encumbrances listed in **Schedule "C"** to this Order and discharge and expunge any Claims including Encumbrances (but excluding Permitted Encumbrances) which may be registered after the date of the APA against the existing Certificate of Title to the Lands;

- b. the Registrar of the Alberta Personal Property Registry (the “**PPR Registrar**”) shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Debtor in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.
5. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the APA. Presentment of this Order and the Receiver’s Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims including Encumbrances but excluding Permitted Encumbrances.
6. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the APA.
7. Upon delivery of the Receiver’s Closing Certificate together with a certified copy of this Order, this Order shall be immediately registered by the Land Titles Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed. The Land Titles Registrar is hereby directed to accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtor and not in its personal capacity.
8. For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets from and after delivery of the Receiver’s Closing Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. Unless otherwise ordered (whether before or after the date of this Order), the Receiver shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets

without further order of this Court, provided however the Receiver may apply any part of such net proceeds to repay any amounts the Receiver has borrowed for which it has issued a Receiver's Certificate pursuant to the Receivership Order.

9. Except as expressly provided for in the APA or by section 5 of the Alberta *Employment Standards Code*, the Purchaser (or its nominee) shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtor.
10. Upon completion of the Transaction, the Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).
11. The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtor, or any person claiming by, through or against the Debtor.
12. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.
13. The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate forthwith after delivery thereof to the Purchaser (or its nominee).
14. Notwithstanding:
 - a. the pendency of these proceedings and any declaration of insolvency made herein;
 - b. the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the "BIA"), in respect of the Debtor, and any bankruptcy order pursuant to any such applications;
 - c. any assignment in bankruptcy made in respect of the Debtor; and

d. the provisions of any federal or provincial statute:

the vesting of the Purchased Assets in the Purchaser (or its nominee) pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

15. The Receiver, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.

16. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to the Receiver, as an officer of the Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

17. Service of this Order shall be deemed good and sufficient by:

a. Serving the same on:

- i. the persons listed on the service list created in these proceedings;
- ii. any other person served with notice of the application for this Order;
- iii. any other parties attending or represented at the application for this Order;
- iv. the Purchaser or the Purchaser's solicitors; and

b. Posting a copy of this Order on the Receiver's website at:
<https://mnpdebt.ca/en/corporate/corporate-engagements/birkill-holdings-ltd>.

and service on any other person is hereby dispensed with.

18. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

Justice of the Court of Queen's Bench of Alberta

SCHEDULE “A”

(to Sale Approval and Vesting Order)

Form of Receiver’s Certificate

COURT FILE NUMBER 2203 04647

COURT COURT OF QUEEN’S BENCH OF ALBERTA

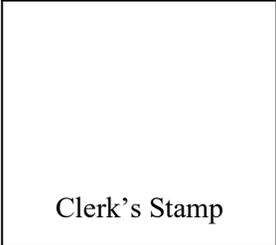
JUDICIAL CENTRE EDMONTON

PLAINTIFF ROYAL BANK OF CANADA

DEFENDANTS 1692260 ALBERTA LTD.,
BIRKILL HOLDINGS LTD.,
R. BIRKILL PROFESSIONAL CORPORATION,
1015314 ALBERTA LTD., and
RICHARD BIRKILL

DOCUMENT **RECEIVER’S CERTIFICATE**

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT MLT Aikins LLP
2200, 10235 – 101 Street
Edmonton, AB T5J 3G1
Phone: 780-969-3500
Fax: 780-969-3549
Attention: Dana M. Nowak / Molly McIntosh
File: 31617-38



RECITALS

- A. Pursuant to an Order of the Honourable Justice M.E. Burns of the Court of Queen’s Bench of Alberta, Judicial District of Edmonton (the “**Court**”) dated March 24, 2022, MNP Ltd. was appointed as the receiver (the “**Receiver**”) of the undertakings, property and assets of 1692260 Alberta Ltd. (the “**Debtor**”).

- B. Pursuant to an Order of the Court dated May 24, 2022, the Court approved the agreement of purchase and sale (the “**APA**”) between the Receiver and CLS Holdings Ltd. (the “**Purchaser**”) and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set

out in Article 8 of the APA have been satisfied or waived by the Receiver and the Purchaser; and
(iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the APA.

THE RECEIVER CERTIFIES the following:

1. The Purchaser (or its nominee) has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the APA;
2. The conditions to Closing as set out in Article 8 of the APA have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ on _____.

**MNP Ltd. in its capacity as Receiver
of the undertakings, property and
assets of 1692260 Alberta Ltd. and not
in its personal capacity.**

Per: _____
Name: Eric Sirrs, CIRP, LIT
Title: Senior Vice President

SCHEDULE "B"

(to Sale Approval and Vesting Order)

Purchased Assets

"Purchased Assets" means the entire right, title and interest of 169 in and to the Properties, including the Chattels, Inventory, Accounts Receivable, and Prepaid Expenses, but excluding the Excluded Assets, where:

- (i) **"Properties"** is defined as 169's entire right, title and interest in and to the land legally described as NE 37-71-17 W4, Plan 8721985, Block 2, Lot 1A, and the buildings and Chattels used in connection therewith;
- (ii) **"Chattels"** is defined as "all chattels, furniture in, on, or upon the Properties and which are used in operating or maintain the Properties, except to the extent any of the foregoing are or relate to Excluded Assets, including all light fixtures, plumbing fixtures, furnace boiler equipment, heating and ventilating and air-conditioning equipment, boiler machinery and equipment, sprinklers, drainage and other mechanical and electrical systems and any other chattels or tangible property;
- (iii) **"Inventory"** is defined as "all inventories of the Vendor in connection with the business, whether situated on the Properties or not, as of the Closing Date, including finished goods, work in progress, raw materials, maintenance items, and advertising materials;
- (iv) **"Accounts Receivables"** is defined as "all accounts receivable and other rights to payment owed to 169 only in respect of the Properties, including but not limited to all post-receivership accounts receivable of the Properties as at Closing which are included in the Purchased Assets and to be purchased according to the purchase price adjustment referred to in Section 3.3."
- (v) **"Prepaid Expenses"** is defined as "all expenses prepaid by the Vendor in respect of the Properties and other rights to payment owed to 169; and
- (vi) **"Excluded Assets"** is defined as:
 - a. all cash and cash equivalents, including for greater certainty the proceeds of any sales of assets (including the sale of the Purchased Assets);
 - b. all deposits for rentals of the Cabins located on the Properties that are to be completed before the Closing Date;
 - c. all income, GST, corporate capital tax and other tax installments paid by 169 and the right to receive any refund of income, GST, corporate capital or other taxes paid by 169;
 - d. all rights of action and claims (and benefits arising therefrom) of 169 against third persons by reason of any facts or circumstances that occurred or existed prior to the Closing Date whether or not an action or any other proceeding is commenced before such time, including insurance claims;

- e. all rights of 169 or the Vendor under any life and property insurance policies and all claims, benefits and rights thereunder and proceeds therefrom (including any cash surrender values);
- f. all rights of the Vendor under this Agreement and the Ancillary Agreements, instruments and certificates delivered pursuant to this Agreement;
- g. any ownership interest which 169 has in any other corporation, entity or business venture;
- h. the minute books, corporate records, financial statements, and accounting records of 169;
- i. leased assets, if any; and
- j. any asset of 169 not capable of being transferred by the Vendor as a result of not being assignable or transferable without the approval or consent of a third party which consent cannot be obtained prior to Closing. In such event the Vendor shall assist the Purchaser in applying for, and use all reasonable efforts to obtain, such consents or approvals, in a form satisfactory to Purchaser acting reasonably, after Closing. Despite this, the Vendor will have no liability to the Purchaser for failing to obtain such consent to assignment and the Purchase Price will not be abated therefor.

SCHEDULE "C"

(to Sale Approval and Vesting Order)

Dischargeable Encumbrances on Title

Registration No.	Date (D/M/Y)	Particulars
132 296 925	18/09/2013	Mortgage Mortgagee – Agriculture Financial Services Corporation
132 296 926	18/09/2013	Notice of Security Interest re: Fixtures In Favour Of – Agriculture Financial Services Corporation
162 231 277	23/08/2016	Amending Agreement Affects Instrument: 132 296 926
162 267 799	26/09/2016	Amendment Affects Instrument: 132 296 926
182 005 897	09/01/2018	Amendment Affects Instrument: 132 296 926
222 081 031	07/04/2022	Tax Notification By – Athabasca County
(Pending) D001MZQ	02/03/2022	Certificate of Lis Pendens

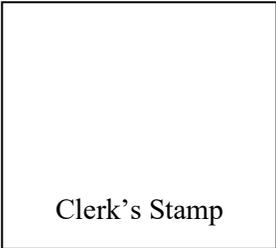
SCHEDULE "D"
(to Sale Approval and Vesting Order)
Permitted Encumbrances on Title

None.

SCHEDULE "C"

(to Application)

COURT FILE NUMBER	2203 04647
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	EDMONTON
PLAINTIFF	ROYAL BANK OF CANADA
DEFENDANTS	1692260 ALBERTA LTD., BIRKILL HOLDINGS LTD., R. BIRKILL PROFESSIONAL CORPORATION, 1015314 ALBERTA LTD., and RICHARD BIRKILL
DOCUMENT	SEALING ORDER
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	MLT Aikins LLP 2200, 10235 – 101 Street Edmonton, AB T5J 3G1 Phone: 780-969-3500 Fax: 780-969-3549 Attention: Dana Nowak / Molly McIntosh File: 31617-38



DATE ON WHICH ORDER WAS PRONOUNCED:	May 24, 2022
LOCATION WHERE ORDER WAS PRONOUNCED:	Edmonton Alberta
NAME OF JUSTICE WHO MADE THIS ORDER:	Mr. Justice K. Feth

UPON THE APPLICATION by MNP Ltd. in its capacity as the Court-appointed receiver (the “**Receiver**”) of the undertakings, property and assets of 1692260 Alberta Ltd. (the “**Debtor**”) for an order sealing the confidential addendum (the “**Confidential Addendum**”) to the Receiver’s Report, dated May 16, 2022, including the Confidential Supplement (the “**First Report**”); **AND UPON HAVING READ** the Receivership Order granted on March 24, 2022 (the “**Receivership Order**”), the First Report, the Confidential Addendum, the Affidavit of Service of Maritza Garcia, sworn May 16, 2022 (the “**Affidavit of Service**”), and the confirmation of submission of a Notice to Media of Application to Restrict Access regarding the temporary sealing of the Confidential Addendum to the First Report; **AND UPON HEARING** the submissions of counsel for the Receiver and Agriculture Financial Services Corporation, and any other counsel present; **AND UPON** no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

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

SEALING ORDER

20. The Clerk of the Court shall file the Confidential Addendum, including the appendices thereto, in a sealed envelope attached to a notice that sets out the style of cause of these proceedings and states that:

THIS ENVELOPE CONTAINS CONFIDENTIAL MATERIALS FILED BY MNP LTD. IN ITS CAPACITY AS THE COURT-APPOINTED RECEIVER OF THE UNDERTAKINGS, PROPERTY AND ASSETS OF 1692260 ALBERTA LTD.; and

THE CONFIDENTIAL MATERIALS ARE SEALED UNTIL FURTHER ORDER OR FILING OF THE RECEIVER'S CERTIFICATE EVIDENCING THE CLOSING OF THE TRANSACTION PURSUANT TO THE ORDER ISSUED BY THE HONOURABLE MR. JUSTICE K. FETH ON MAY 24, 2022.

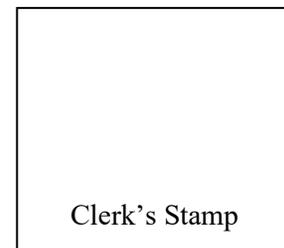
21. An application to unseal the Confidential Addendum may be made at any time upon fourteen days' written notice to counsel for the Receiver.
22. The Order must be served only upon those interested parties attended or represented at the within Application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.
23. Service of this Order on any party not attending this application is hereby dispensed with.

Justice of the Court of Queen's Bench of Alberta

SCHEDULE "D"

(to Application)

COURT FILE NUMBER	2203 04647
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	EDMONTON
PLAINTIFF	ROYAL BANK OF CANADA
DEFENDANTS	1692260 ALBERTA LTD., BIRKILL HOLDINGS LTD., R. BIRKILL PROFESSIONAL CORPORATION, 1015314 ALBERTA LTD., and RICHARD BIRKILL
DOCUMENT	ORDER (Approve Receiver's Activities)
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	MLT Aikins LLP 2200, 10235 – 101 Street Edmonton, AB T5J 3G1 Phone: 780-969-3500 Fax: 780-969-3549 Attention: Dana Nowak / Molly McIntosh File: 31617-38



DATE ON WHICH ORDER WAS PRONOUNCED:	May 24, 2022
LOCATION WHERE ORDER WAS PRONOUNCED:	Edmonton, Alberta
NAME OF JUSTICE WHO MADE THIS ORDER:	Mr. Justice K. Feth

UPON THE APPLICATION by MNP Ltd. in its capacity as the Court-appointed receiver (the “**Receiver**”) of the undertakings, property and assets of 1692260 Alberta Ltd. and Birkill Holdings Ltd. (collectively, the “**Companies**”) for an order approving the Receiver’s activities, as more particularly outlined in the Report of the Receiver, dated May 16, 2022 (the “**First Report**”) and the confidential addendum to the Report (the “**Confidential Addendum**”); **AND UPON HAVING READ** the Receivership Order granted on March 24, 2022 (the “**Receivership Order**”), the First Report, the Confidential Addendum to the First Report, and the Affidavit of Service of Maritza Garcia, sworn May 16, 2022 (the “**Affidavit of Service**”); **AND UPON HEARING** the submissions of counsel for the Receiver and Agriculture Financial Services Corporation, and any other counsel present; **AND UPON** no one

appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed;

IT IS HEREBY ORDERED AND DECLARED THAT:

24. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.
25. The Receiver's activities as set out in the First Report filed herein are hereby ratified and approved.
26. Service of this Order shall be deemed good and sufficient by:
 - a. Serving the same on:
 - i. Any parties on the service list for these proceedings;
 - ii. Any parties attending or represented at the application for this Order;
 - iii. The Purchaser (as defined in the First Report) or the Purchaser's solicitors; and
 - b. Posting a copy of this Order on the Receiver's website at:
<https://mnpdebt.ca/en/corporate/corporate-engagements/birkill-holdings-ltd>.and service on any other person is hereby dispensed with.
27. Service of this Order may be affected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

Justice of the Court of Queen's Bench of Alberta