

Clerk's Stamp

COURT FILE NUMBER 2001-05482
 COURT COURT OF QUEEN'S BENCH OF ALBERTA
 JUDICIAL CENTRE CALGARY

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

AND IN THE MATTER OF THE COMPROMISE
 OR ARRANGEMENT OF JMB CRUSHING
 SYSTEMS INC. and 2161889 ALBERTA LTD.

AND IN THE MATTER OF A PLAN OF
 ARRANGEMENT OF JMB CRUSHING
 SYSTEMS INC., MANTLE MATERIALS
 GROUP LTD. and 2324159 ALBERTA INC.

DOCUMENT **AFFIDAVIT**

ADDRESS FOR **Alberta Justice and Solicitor General**
 SERVICE AND Legal Services Division
 CONTACT Suite 1710, 639 – 5th Avenue SW
 INFORMATION OF Calgary, Alberta T2P 0M9
 PARTY FILING THIS **Attention: Melissa N. Burkett /**
 DOCUMENT **Natasha Sutherland**
 Telephone: (403) 297-2001
 Facsimile: (403) 662-3824
 Email: melissa.burkett@gov.ab.ca /
natasha.sutherland@gov.ab.ca
 Our File No. LIT-11583

AFFIDAVIT OF MAXWELL HARRISON

Sworn on March 29, 2021

I, **Maxwell Harrison**, of the City of Edmonton, in the Province of Alberta, MAKE
 OATH AND SWEAR THAT:

1. I am a Compliance Manager with the Government of Alberta, Department of Environment and Parks. I have personal knowledge of the facts and matters in this Affidavit, except those made on information and believe, in which case I believe them to be true.

Background

2. Alberta Environment and Parks (“**AEP**”) is responsible for the administration and regulation of certain activities on private lands within the Province of Alberta. These activities include the extraction and processing of gravel and other aggregates (the “**Activities**”).
3. AEP regulates the use of private lands, of 5 hectares or greater, for Activities through the issuance of approvals or registrations.
4. The construction, operation and reclamation relating to Activities on privately owned lands is regulated by the *Environmental Protection and Enhancement Act*, RSA 2000, c E-12, (“**EPEA**”), the *Approvals and Registrations Procedure Regulation* AR 113/93 (the “**Approvals Regulation**”), the *Activities Designation Regulation*, AR 276/2003 (the “**Activities Regulation**”), the *Conservation and Reclamation Regulation*, AR 115/93 (the “**Reclamation Regulation**”) and the *Code of Practice for Pits* (the “**Code**”) (collectively the “**Regulatory Legislation**”).
5. The Approvals Regulation sets out a procedure for the issuance of approvals and registrations.
6. In particular, sections 4, 9 and 11 of the Approvals Regulation mandates that the Director shall not review an application for the issuance, transfer, assignment, sale or lease of an approval or registration until it is a complete application, and, if required, the necessary security or insurance has been provided.
7. The Activities Regulation identifies which activities require an approval or registration under EPEA, and includes, but is not limited to, the creation of pits for the extraction of sand, gravel, clay or marl.
8. No party may carry out any of the Activities at a pit unless they have been granted an approval or registration by the AEP and are thereby deemed an operator.
9. An applicant for an approval or registration must supply an Activities Plan that details the construction, operation, and reclamation plans for the pit, together with security for the pit in an amount and form acceptable to AEP.
10. An approval or registration is a statutory instrument that grants exclusive rights to use private lands for the purpose of the Activities and are subject to the payment of royalties.
11. Access to a private pit, as defined under the EPEA, is typically governed by a royalty agreement as between the land owner and the successful registrant known as an “operator” (the “**Private Royalty Agreements**”). AEP is not a party to the Private Royalty Agreements.

Abandonment and Reclamation Obligations on Private Lands

12. When the AEP grants a disposition, the applicant must satisfy any abandonment, reclamation and remediation obligations for the purpose of restoring the surface of the property to equivalent land capability.

13. The EPEA contains certain provisions that exist for the purpose of ensuring a registration holder's compliance with abandonment and reclamation obligations:

- (a) Sections 84 and 135 requires a holder to supply security to ensure acceptable reclamation and compliance;
- (b) Section 137 requires a holder to reclaim the subject land in accordance with, among other things, the terms and conditions of any environmental protection order regarding the conservation and reclamation of those lands.

14. The Conservation Regulation provides additional guidance on reclamation termed as the return of specified lands to an equivalent land capability as defined in the Conservation Regulation.

15. The security provided is to be in an amount determined by the Director to be sufficient to ensure the completion of conservation and reclamation on the specified lands based on:

- (a) The estimated costs of conservation and reclamation submitted by the operator;
- (b) The nature, complexity and extent of the activity; workaround
- (c) The probable difficulty of conservation and reclamation, giving consideration to such factors as topography, soils, geology, hydrology and revegetation; and
- (d) Any other factors that the Director considers relevant.

16. The security may be adjusted in accordance with the Code.

17. An operator must conserve and reclaim the lands in accordance with the standards, criteria, guidelines and directives established by the Director and pursuant to the terms of any environmental protection orders in respect of conservation and reclamation.

Registrations held by JMB

18. The following table outlines the private land registrations currently held by JMB Crushing Systems Inc. ("JMB") (the "JMB Registrations"):

<u>EPEA Registration #</u>	<u>Registrant</u>	<u>Landowner</u>	<u>Date of Registration</u>
308161-00-00	JMB	Jerry Shankowski	August 1, 2012

(Shankowski Pit)			
17395-01-00 (Havener Pit)	JMB	Lynne Havener and Gail Havener	July 23, 2010
15048-03-02 (Buksa Pit)	JMB	302016 Alberta Ltd, Havey Buksa, Susan Buksa, Rose Short and Lynda Tomlinson	March 15, 2012
306490-00-00 (Kucy Pit)	JMB	Robert Niedzielski, John Kwiatkowski, Leo Kwiatkowski, Ron Kucy, and Rita Kucy	July 26, 2012
293051-00-00 (MacDonald Pit)	JMB	Allan MacDonald	August 31, 2011
149949-00-00 (Megley Pit)	JMB	Sharon Cook, Cheryl Megley, Douglas Megley, and Bill Kryzanoski	May 25, 2007
263318-00-00 (O’Kane Pit)	JMB	Aarbo Ranching Ltd and Harvey Aarbo	September 17, 2012

(collectively the “**Private Pits**”).

Compliance Issues

19. On January 20, 2020, AEP sent an e-mail to JMB in relation to various of the Private Pits advising that their security bonds relating to their reclamation obligations was due to expire:

PIT	BOND NO.	AMOUNT	EXPIRY
Shankowski	BND0015967	\$180,120.57	November 13, 2020
Havener	BND0015361	\$41,872.00	March 9, 2020
Kucy	BDN0015364	\$31,872.25	March 9, 2020

MacDonald	BDN0015363	\$16,695.00	March 9, 2020
Megley	BDN0015359	\$74,683.81	March 9, 2020
O’Kane	BDN0015362	\$39,805.00	March 9, 2020

20. Attached and marked as **Exhibit “A”** is a copy of the January 20, 2020 e-mail.
21. Attached and marked as **Exhibit “B”** are copies of the above noted Performance Bonds.
22. On October 20, 2020 AEP sent an e-mail to JMB advising that the Buksa Pit Security, being Security Bond No. BND0015360 in the amount of \$50,442.00 was due to expire December 12, 2020. Attached and marked as **Exhibit “C”** is a copy of the October 20, 2020 e-mail. Attached and marked as **Exhibit “D”** is a copy of the Buksa Performance Bond.
23. At all material times, the registration holder is responsible for ensuring that the security, in this case the security bonds, remains current. AEP is not a party to the security bonds.
24. On November 18, 2020, AEP sent a letter to JMB indicating that they had failed to replace the financial security on each of the Private Pits and as such were non-compliant with the EPEA and relevant Regulations. Attached and marked as **Exhibit “E”** is a copy of the November 18, 2020 letter.
25. On February 12, 2021, AEP issued a Notice of Non-Compliance to JMB advising that JMB was in contravention of the Code of Practice for Pits, and the *Conservation and Reclamation Regulation* at each of the Private Pits, and contravention of the *Water Act*, RSA 2000, c. W-3 on the Kucy and Megley Pits. Attached and marked as **Exhibit “F”** is a copy of the Notice of Non-Compliance.
26. The Notice of Non-Compliance advised that on one or more of the Private Pits, JMB had:
- (a) Failed to restore the required security;
 - (b) Failed to submit the required 5-year report;
 - (c) Failed to follow the Activities Plan mining sequence with absence of reclamation noted at all pits;
 - (d) Failed to comply to the boundary approved in the Registration; and
 - (e) Failed to report these non-compliance issues to the Director
27. The Notice of Non-Compliance required JMB to submit written plans to AEP no later than February 18, 2021, outlining the following:

- (a) Detailing JMB’s assessment of each respective pit against the terms and conditions of the Regulation and the Code;
- (b) Describing how JMB plans to bring each respective pit into compliance with the Regulation and Code; and
- (c) Describing how JMB plans to address the Water Act contraventions.

28. In response to the Notice of Non-Compliance, on February 16, 2021 JMB requested an extension of time to submit the written plans to February 22, 2021, which extension was allowed by AEP. Attached and marked as **Exhibit “G”** is a copy of the February 16, 2021 correspondence.

29. On February 23, 2021, JMB requested a further extension of time to submit the written plans to February 24, 2021, which extension was again allowed by AEP. Attached and marked as **Exhibit “H”** is a copy of the February 23, 2021 correspondence.

30. On February 24, 2021 JMB submitted proposed plans for the Private Pits entitled Written Plan to Resolve Non-Compliances (the “**Compliance Plan**”). Attached and marked as **Exhibit “I”** is a copy of the Compliance Plan.

31. On March 10, 2021, AEP sent an e-mail in response to the Compliance Plan submitted advising that the Compliance Plan did not sufficiently satisfy the criteria set out in the Notice of Non-Compliance. Attached and marked as **Exhibit “J”** is a copy of the March 10, 2021 e-mail.

32. As a result the following Environmental Protection Orders were issued:

PIT	ORDER	DATE	EXHIBIT
Havener	EPO-EPEA-35659-04	March 11, 2021	Exhibit “K”
Buksa	EPO-EPEA-35659-05	March 11, 2021	Exhibit “L”
Kucy	EPO-EPEA-35659-03	March 11, 2021	Exhibit “M”
MacDonald	EPO-EPEA-35659-01	March 2, 2021	Exhibit “N”
Megley	EPO-EPEA-35659-02	March 11, 2021	Exhibit “O”
O-Kane	EPO-EPEA-35659-06	March 11, 2021	Exhibit “P”

(collectively the “**EPOs**”).

33. On March 16, 2021, AEP issued Amendment No. 1 to EPO-EPEA-35659-01, as requested by JMB. Attached and marked as **Exhibit “Q”** is a copy of Amendment No. 1.

34. While each EPO is specific to the pit that it was issued for, each of the EPOs, and in the case of the MacDonald Pit Amendment No.1, order JMB and its former and current directors to, among other things:

- (a) immediately suspend any work at the respective pit and not remove any stockpiled materials;
- (b) submit to the Inspector, for the Inspector's review and approval, the name and qualifications of a reclamation consultant who JMB intends to retain for the preparation of a reclamation plan;
- (c) submit a reclamation plan including, at minimum:
 - (i) particulars of the characteristics and properties of the land;
 - (ii) a historical synopsis of the surface, subsurface and groundwater disturbance;
 - (iii) a description of the adjacent land uses;
 - (iv) an accounting of the remaining marketable aggregate at the pit and its present value;
 - (v) a description of the reclamation work including the equipment, methods and materials to be used for plan implementation;
 - (vi) a description of the proposed reclaimed land use including elevations, soil replacement and re-vegetation;
 - (vii) a description of how ground water infiltrating open excavations will be addressed and justification for any surface and water related improvements to be left in place;
 - (viii) a proposed schedule of implementation; and
 - (ix) a 6 month monitoring and maintenance program commencing on a specified date following the completion of the reclamation plan.

(the "**Reclamation Steps**").

35. The EPOs also provide specific timelines for the completion of each of the Reclamation Steps (the "**Reclamation Timelines**").

36. The EPOs set out the affected parties' statutory right of appeal to the Environmental Appeals Board. Furthermore, the EPOs warn that failure to comply with the EPOs may result in further enforcement proceedings.

37. I do not believe that JMB, or any of its directors, current or former, have filed a Notice of Appeal on any of the EPOs.

38. Instead, JMB has begun to take steps in compliance with the EPOs, and on March 12, 2021 sent an e-mail proffering Tyler Pell as the reclamation consultant. Attached and marked as **Exhibit “R”** is a copy of the March 12, 2021 e-mail.

39. Further, JMB has submitted a proposed Reclamation Plan in relation to the MacDonald Pit (the “**MacDonald Plan**”). Attached and marked as **Exhibit “S”** is a copy of the MacDonald Plan.

Initial RVO and SAVO

40. I understand that on October 16, 2020 the Court issued, among other things, the following orders:

- (a) The Reverse Vesting Order (the “**RVO**”); and
- (b) The Mantle Sale Approval and Vesting Order (the “**SAVO**”).

41. From my review of both the RVO and the SAVO, I understand that:

- (a) Subject to the approval of AEP, four of the JMB EPEA Registrations would be assigned to, and vested in the sister company of JMB, 2161889 Alberta Ltd. (“**216**”); and
- (b) Subject to the approval of AEP the remaining three JMB EPEA Registrations would be assigned to, and vested in the purchaser, Mantle Group Materials Ltd. (“**Mantle**”).

42. On October 30, 2020, Tyler Pell, Aggregate Resources Manager with JMB, submitted an email request for the transfer of the following EPEA registrations:

- (a) 15048-03-00 (Buksa Pit)
- (b) 17395-01-00 (Havener Pit)
- (c) 308161-00-00 (Shankowski Pit)

(collectively, the “**Proposed Transfers**”).

Attached hereto and marked as **Exhibit “T”** is a copy of the October 30, 2020 email with attachments.

43. On that same date, AEP replied to the October 30, 2020 e-mail attaching the Consent to Transfer forms and setting out further requirements for the requested transfers (“**AEP October 30**”).

Response”). Attached hereto and marked as **Exhibit “U”** is a copy of the AEP October 30 Response.

44. Notwithstanding AEP’s attempt to assist Mr. Pell and JMB through the EPEA Registration Transfer process, AEP did not receive executed copies of the Consent to Transfer forms.

45. Further, neither JMB nor Mantle took any steps to provide the requisite security deposits necessary for the EPEA Registration Transfers to be completed.

46. As noted at paragraph 18 of my Affidavit, on November 18, 2020, AEP sent a follow up letter to JMB advising that AEP required the security to be in good standing on all of the Private Pits prior to any approval of the Proposed Transfers. Ultimately, the Proposed Transfers were not completed due to JMB’s inability to comply with their security obligations.

Effect of the proposed Revised RVO

47. I understand, from my review of the Application and Revised Reverse Vesting Order (“**Revised RVO**”) circulated by counsel for JMB and 216 on March 21, 2021, that JMB and 216 are seeking, among other things, a Revised SAVO and a Revised RVO.

48. I understand that the Revised RVO no longer contemplates the Proposed Transfers, but instead includes an Environmental Reclamation Protocol that will operate outside of the current regulatory reclamation regime.

49. The Regulatory Legislation, defined above, has an established regulatory regime which governs the environmental reclamation obligations of a registration holder (the “**Regulatory Regime**”).

50. In particular, the Regulatory Regime ensures that a holder’s reclamation obligations will continue to be fulfilled when the holder becomes subject to insolvency proceedings.

51. The following outlines the key framework provided for in the Regulatory Legislation:

- (a) Under EPEA and the Approvals Regulation, the issuance, transfer, assignment, amendment or cancellation, of a Private Land Registration is in the discretion of the Director;
- (b) The Director may refuse to issue, mortgage, assign, transfer, sublet or renew a registration if the applicant is: (a) indebted to the Crown; or (b) otherwise in non-compliance with the Act or the Regulations (the “**Director’s Discretion**”);
- (c) Included in the non-compliance consideration, the Director can assess whether the registration holder is observing their reclamation obligations as set out in the Regulatory Legislation;

- (d) An affected party can dispute any decision made by the Director or an Inspector, to the Environmental Appeals Board (the “**Board**”).
- (e) The Board is a specialized panel with specific expertise in the area of environmental protection and reclamation.
- (f) Matters that can be Appealed to the Board include, but are not limited to:
 - (i) Where the Director refuses to issue an approval or refuses to make an amendment, addition or deletion in respect of an approval;
 - (ii) Where the Director cancels or suspends an approval;
 - (iii) Where the Director issues an enforcement order;
 - (iv) Where an inspector issues an environmental protection order regarding conservation and reclamation;
 - (v) Where the Director issues an environmental protection order; and
 - (vi) Where the Director refuses to accept an application for a remediation certificate or refuses to issue a remediation certificate.
- (g) Where an affected party remains unsatisfied with the outcome of an appeal, they are entitled to seek a judicial review of the Board’s decision.

52. The Amended RVO seeks to bind the AEP to a specific Environmental Reclamation Protocol (the “**Protocol**”). If implemented, the Protocol will have the effect of eliminating the director’s discretion and will undermine the Regulatory Legislation that governs public land dispositions.

53. Additionally, the Amended RVO will create inequality and confusion within the regulatory system as, after emerging from the CCAA proceedings, JMB/216/Mantle/ResidualCo would be adhering to one court imposed set of rules, while all other disposition holders would be observing the appropriate regulatory scheme.

54. Granting the Amended RVO in the form as requested will significantly encroach upon the AEP’s role as regulator of public lands and contemplates the Plan Parties being able to circumvent the public lands regulatory regime by avoiding the Public Lands Appeal Board and/or the Environmental Appeal Board as applicable.

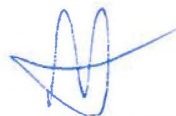
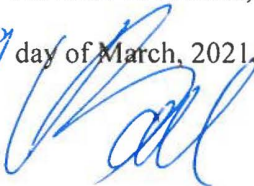
55. I understand, from my review of the proposed Amended RVO, that the Plan Parties, along with Levkulich and Patsch are seeking relief from the Court with respect to the EPOs and the EO.

56. AEP remains concerned that JMB and 216 will not take responsibility for its abandonment and reclamation obligations to AEP's satisfaction with respect to the dispositions prescribed by both the Regulatory Legislation.

57. AEP does not anticipate performing and does not intend to perform any abandonment or reclamation of the lands that are subject to the 216 and JMB Dispositions.

58. I make this Affidavit in opposition to the Plan Parties' application for the Amended RVO in the form proposed and, in particular, the imposition of the Environmental Reclamation Protocol.

SWORN BEFORE ME at the City of)
, in the Province of Alberta,)
this ^{20th} day of March, 2021.)



A Commissioner of Oaths in and for
the Province of Alberta

Maxwell Harrison

Vivienne M. Ball
Barrister & Solicitor
Alberta Justice and Solicitor General

This is Exhibit "A" referred to in the
Affidavit of Maxwell Harrison
Sworn before me this 29th day of March, 2021



A Commissioner for Oaths in and for Alberta

Vivienne M. Ball
Barrister & Solicitor
Alberta Justice and Solicitor General

Natasha Sutherland

From: Valerie Collins
Sent: Monday, January 20, 2020 11:04 AM
To: 'jeffb@jmbcrush.com'
Cc: 'tenillemolloy@jmbcrush.com'
Subject: Security Expiring
Attachments: Additional_Security_Request.pdf; PERFORMANCE BOND - 1 Year Term.doc; RDNS-Letter of Credit (Renew) - 3 Year.doc; RDNS-Letter of Credit (Renew) - Automatic.doc; Security Options-New with Performance Bond.doc; JMB Crushing Security Expiring - 2020.pdf

Attached is a letter advising that your security deposits are expiring on 5 of your pits and additional security was requested on application 002-293051 (letter attached) on December 3, 2019 along with our security options. Please note, the originals will not be mailed.

If you have any questions or concerns, please contact me at 780-427-9541.

Thanks

Valerie Collins

Valerie Collins
Application & Security Coordinator
Alberta Environment and Parks
Regulatory Approvals Centre
5th Floor, South Petroleum Plaza
9915 - 108 Street
Edmonton, AB T5K 2G8
Phone: (780) 427-9541 Fax: (780) 422-0154
E-Mail: Valerie.Collins@gov.ab.ca

Visit <https://avw.alberta.ca/ApprovalViewer.aspx> - An on-line viewing of Approvals, Licences, Registrations and Permits issued under the Water Act and Environmental Protection and Enhancement Act.



Operations
Regulatory Approvals Centre
 5th Floor, South Petroleum Plaza
 9915 – 108 Street
 Edmonton, Alberta T5K 2G8
 Canada
 Telephone: (780) 427-6311
 Fax: (780) 422-0154
www.aep.alberta.ca

January 20, 2020

Jeff Buck
 JMB Crushing Systems ULC
 BOX 6977
 BONNYVILLE AB T9N 2H4

Dear Mr. Buck:

RE: Security Deposit

The following Performance Bonds are expiring March 9, 2020. A Continuation Certificate or a replacement Bond for a minimum 1 year term is required one month prior to expiry.

Registration No.	Legal Land Location	Performance Bond No.	Amount
17395-01-00	Havener Pit NW 16-056-07-W4M	BND0015361	\$41,872.00
149949-00-00	Megley Pit SE 35 & SW 36-058-16-W4M	BND0015359	\$74,683.81
263318-00-00	O'Kane Pit NE 10-057-06-W4M	BND0015362	\$39,805.00
293051-00-00	MacDonald Pit SE 34-056-07-W4M	BND0015363	\$16,695.00
306490-00-00	Kucy Pit NW 17, NE 18 & SE 19-063-09-W4M	BND0015364	\$31,872.25

Please note, additional security in the amount of \$60,905.51 was requested on December 3, 2019 on Application 002-293051 for a new total of \$77,600.51 (see attached). I have attached our security options for your information in case you would like to change your form of security.

If we do not receive a replacement security, we will have no alternative but to demand payment. Please give this matter your earliest attention.

Please call me at (780) 427-9541 if you have any questions.

Yours truly

Valerie Collins

Valerie Collins
 Application & Security Coordinator

Encl.

cc: Red Deer/North Saskatchewan Region – Edmonton
 Tenille Paul, JMB Crushing Systems ULC
 Northbridge General Insurance Corporation

This is Exhibit "B" referred to in the
Affidavit of Maxwell Harrison
Sworn before me this 29th day of March, 2021



A Commissioner for Oaths in and for Alberta

Vivienne M. Ball
Barrister & Solicitor
Alberta Justice and Solicitor General

PERFORMANCE BOND

BOND NO. BND0015361
APPROVAL NO. 002-17395

AMOUNT: \$ 41,872.00

KNOW ALL MEN BY THESE PRESENTS THAT **JMB CRUSHING SYSTEMS ULC** (hereinafter called "the Principal") and the **NORTHBRIDGE GENERAL INSURANCE CORPORATION** a corporation created and existing under the laws of Canada, and duly authorized to transact the business of Suretyship in Canada as Surety (hereinafter called "the Surety") are held and firmly bound unto **HER MAJESTY THE QUEEN IN RIGHT ALBERTA AS REPRESENTED BY THE MINISTER OF ENVIRONMENT AND PARKS ATTN: DIRECTOR, RED DEER/NORTH SASKATCHEWAN REGION**, as Obligee (hereinafter called "the Obligee"), in the amount of **FORTY-ONE THOUSAND, EIGHT HUNDRED AND SEVENTY-TWO** ---- **00/100** Dollars (**\$41,872.00**) lawful money of Canada for the payment of which sum, well and truly to be made, the Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally firmly by these presents.

WHEREAS, the Principal has applied for and the Obligee has granted **JMB CRUSHING SYSTEMS ULC** Approval Number **002-17395** (hereinafter called "the Approval") which is subject at any time to amendment by the Obligee, to operate **HAVENER PIT NW 16-056-07-W4M** operation, subject to the terms and conditions and requirements attached in the Approval.

- 1) Whenever the Principal shall be, and declared by the Obligee to be, in default under the Approval, the Surety shall promptly:
 - a. Remedy the default in accordance with the terms and conditions of the Approval, or
 - b. Obtain a bid or bids for submission to the Obligee for remedying the default in accordance with the terms and conditions of the Approval and upon determination by the Obligee and the Surety of the lowest responsible bidder, arrange for a contract between such bidder and the Obligee and make available as work progresses (even though there should be a default, or a succession of defaults, under the contract or contracts of completion, arrange under this paragraph) sufficient funds to pay the cost of completion but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof.

- 2) The term of this Bond is one (1) year beginning on the date of execution of this Bond and ending on the first anniversary of the said date.

- 3) Provided always that if the Surety shall at any time give ninety (90) days notice in writing to the Principal and to the Director of its intention to put an end to the Suretyship hereby entered into then this bond and all accruing responsibility thereunder shall from and after the last day of such (ninety) 90 days aforesaid cease and determine except insofar as the Principal has made default prior to the said last day of such period, and provided that, should the Principal fail, within sixty (60) days of receipt by the Director of the said notice of termination, to provide financial security in at least the same amount as this bond in a form acceptable to the Obligee, the Surety shall automatically and immediately pay the full amount of this bond to the Obligee.
- 4) In the event the Surety becomes unable to fulfill its obligations under this bond for any reason, notice shall be given immediately, by registered mail, to the Principal and the Director. Upon the Director's receipt of the Surety's notification or upon the incapacity of the Surety by reason of bankruptcy, insolvency, or suspension or revocation of its license, the Principal shall be deemed to be without bond coverage and will be required to submit alternate financial security, subject to the approval of the Obligee and as required by Section 135 of the *Environmental Protection and Enhancement Act*, within 30 days.
- 5) Any Suit under this Bond must be instituted before the expiration of one (1) year from the date of termination.


IN WITNESS WHEREOF, the Principal and the Surety have Signed and Sealed this Bond this 9TH day of MARCH, 2018.

Signed and Sealed in the presence of:

JMB CRUSHING SYSTEMS ULC

 (seal)

**NORTHBRIDGE GENERAL
INSURANCE CORPORATION**

 (seal)
CASSIDY RUSH
Attorney-in-fact

PERFORMANCE BOND

BOND NO. BND0015364
APPROVAL NO. 001-306490

AMOUNT: \$ 31,872.25

KNOW ALL MEN BY THESE PRESENTS THAT **JMB CRUSHING SYSTEMS ULC** (hereinafter called "the Principal") and the **NORTHBRIDGE GENERAL INSURANCE CORPORATION** a corporation created and existing under the laws of Canada, and duly authorized to transact the business of Suretyship in Canada as Surety (hereinafter called "the Surety") are held and firmly bound unto **HER MAJESTY THE QUEEN IN RIGHT ALBERTA AS REPRESENTED BY THE MINISTER OF ENVIRONMENT AND PARKS ATTN: DIRECTOR, RED DEER/NORTH SASKATCHEWAN REGION**, as Obligee (hereinafter called "the Obligee"), in the amount of **THIRTY-ONE THOUSAND, EIGHT HUNDRED AND SEVENTY-TWO** ---- **25/100** Dollars (**\$31,872.25**) lawful money of Canada for the payment of which sum, well and truly to be made, the Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally firmly by these presents.

WHEREAS, the Principal has applied for and the Obligee has granted **JMB CRUSHING SYSTEMS ULC** Approval Number **001-306490** (hereinafter called "the Approval") which is subject at any time to amendment by the Obligee, to operate **HOYE/KUCY PIT NW 17, NE 18 AND SE 19-063-09-W4M** operation, subject to the terms and conditions and requirements attached in the Approval.

- 1) Whenever the Principal shall be, and declared by the Obligee to be, in default under the Approval, the Surety shall promptly:
 - a. Remedy the default in accordance with the terms and conditions of the Approval, or
 - b. Obtain a bid or bids for submission to the Obligee for remedying the default in accordance with the terms and conditions of the Approval and upon determination by the Obligee and the Surety of the lowest responsible bidder, arrange for a contract between such bidder and the Obligee and make available as work progresses (even though there should be a default, or a succession of defaults, under the contract or contracts of completion, arrange under this paragraph) sufficient funds to pay the cost of completion but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof.

- 2) The term of this Bond is one (1) year beginning on the date of execution of this Bond and ending on the first anniversary of the said date.

- 3) Provided always that if the Surety shall at any time give ninety (90) days notice in writing to the Principal and to the Director of its intention to put an end to the Suretyship hereby entered into then this bond and all accruing responsibility thereunder shall from and after the last day of such (ninety) 90 days aforesaid cease and determine except insofar as the Principal has made default prior to the said last day of such period, and provided that, should the Principal fail, within sixty (60) days of receipt by the Director of the said notice of termination, to provide financial security in at least the same amount as this bond in a form acceptable to the Obligee, the Surety shall automatically and immediately pay the full amount of this bond to the Obligee.
- 4) In the event the Surety becomes unable to fulfill its obligations under this bond for any reason, notice shall be given immediately, by registered mail, to the Principal and the Director. Upon the Director's receipt of the Surety's notification or upon the incapacity of the Surety by reason of bankruptcy, insolvency, or suspension or revocation of its license, the Principal shall be deemed to be without bond coverage and will be required to submit alternate financial security, subject to the approval of the Obligee and as required by Section 135 of the *Environmental Protection and Enhancement Act*, within 30 days.
- 5) Any Suit under this Bond must be instituted before the expiration of one (1) year from the date of termination.

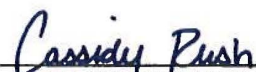
IN WITNESS WHEREOF, the Principal and the Surety have Signed and Sealed this Bond this 9TH day of MARCH, 2018.

Signed and Sealed in the presence of:

JMB CRUSHING SYSTEMS ULC

 (seal)

**NORTHBRIDGE GENERAL
INSURANCE CORPORATION**

 (seal)
CASSIDY RUSH
Attorney-in-fact

PERFORMANCE BOND**BOND NO. BND0015363****APPROVAL NO. 001-293051****AMOUNT: \$ 16,695.00**

KNOW ALL MEN BY THESE PRESENTS THAT **JMB CRUSHING SYSTEMS ULC** (hereinafter called "the Principal") and the **NORTHBRIDGE GENERAL INSURANCE CORPORATION** a corporation created and existing under the laws of Canada, and duly authorized to transact the business of Suretyship in Canada as Surety (hereinafter called "the Surety") are held and firmly bound unto **HER MAJESTY THE QUEEN IN RIGHT ALBERTA AS REPRESENTED BY THE MINISTER OF ENVIRONMENT AND PARKS ATTN: DIRECTOR, RED DEER/NORTH SASKATCHEWAN REGION**, as Obligee (hereinafter called "the Obligee"), in the amount of **SIXTEEN THOUSAND, SIX HUNDRED AND NINETY-FIVE ---- 00/100** Dollars (\$**16,695.00**) lawful money of Canada for the payment of which sum, well and truly to be made, the Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally firmly by these presents.

WHEREAS, the Principal has applied for and the Obligee has granted **JMB CRUSHING SYSTEMS ULC** Approval Number **001-293051** (hereinafter called "the Approval") which is subject at any time to amendment by the Obligee, to operate **MACDONALD PIT SE 34-056-07-W4M** operation, subject to the terms and conditions and requirements attached in the Approval.


- 1) Whenever the Principal shall be, and declared by the Obligee to be, in default under the Approval, the Surety shall promptly:
 - a. Remedy the default in accordance with the terms and conditions of the Approval, or
 - b. Obtain a bid or bids for submission to the Obligee for remedying the default in accordance with the terms and conditions of the Approval and upon determination by the Obligee and the Surety of the lowest responsible bidder, arrange for a contract between such bidder and the Obligee and make available as work progresses (even though there should be a default, or a succession of defaults, under the contract or contracts of completion, arrange under this paragraph) sufficient funds to pay the cost of completion but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof.
- 2) The term of this Bond is one (1) year beginning on the date of execution of this Bond and ending on the first anniversary of the said date.

- 3) Provided always that if the Surety shall at any time give ninety (90) days notice in writing to the Principal and to the Director of its intention to put an end to the Suretyship hereby entered into then this bond and all accruing responsibility thereunder shall from and after the last day of such (ninety) 90 days aforesaid cease and determine except insofar as the Principal has made default prior to the said last day of such period, and provided that, should the Principal fail, within sixty (60) days of receipt by the Director of the said notice of termination, to provide financial security in at least the same amount as this bond in a form acceptable to the Obligee, the Surety shall automatically and immediately pay the full amount of this bond to the Obligee.
- 4) In the event the Surety becomes unable to fulfill its obligations under this bond for any reason, notice shall be given immediately, by registered mail, to the Principal and the Director. Upon the Director's receipt of the Surety's notification or upon the incapacity of the Surety by reason of bankruptcy, insolvency, or suspension or revocation of its license, the Principal shall be deemed to be without bond coverage and will be required to submit alternate financial security, subject to the approval of the Obligee and as required by Section 135 of the *Environmental Protection and Enhancement Act*, within 30 days.
- 5) Any Suit under this Bond must be instituted before the expiration of one (1) year from the date of termination.

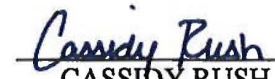
IN WITNESS WHEREOF, the Principal and the Surety have Signed and Sealed this Bond this 9TH day of MARH, 2018.

Signed and Sealed in the presence of:

JMB CRUSHING SYSTEMS ULC

 (seal)

**NORTHBRIDGE GENERAL
INSURANCE CORPORATION**

 (seal)
CASSIDY RUSH
Attorney-in-fact

PERFORMANCE BOND

BOND NO. BND0015359
APPROVAL NO. 001-149949

AMOUNT: \$ 74,683.81

KNOW ALL MEN BY THESE PRESENTS THAT **JMB CRUSHING SYSTEMS ULC** (hereinafter called "the Principal") and the **NORTHBRIDGE GENERAL INSURANCE CORPORATION** a corporation created and existing under the laws of Canada, and duly authorized to transact the business of Suretyship in Canada as Surety (hereinafter called "the Surety") are held and firmly bound unto **HER MAJESTY THE QUEEN IN RIGHT ALBERTA AS REPRESENTED BY THE MINISTER OF ENVIRONMENT AND PARKS ATTN: DIRECTOR, RED DEER/NORTH SASKATCHEWAN REGION**, as Obligee (hereinafter called "the Obligee"), in the amount of **SEVENTY-FOUR THOUSAND, SIX HUNDRED AND EIGHTY-THREE ---- 81/100 Dollars (\$74,683.81)** lawful money of Canada for the payment of which sum, well and truly to be made, the Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally firmly by these presents.

WHEREAS, the Principal has applied for and the Obligee has granted **JMB CRUSHING SYSTEMS ULC** Approval Number **001-149949** (hereinafter called "the Approval") which is subject at any time to amendment by the Obligee, to operate **MEGLEY PIT SE 35 & SW 36-058-16-W4M** operation, subject to the terms and conditions and requirements attached in the Approval.

- 1) Whenever the Principal shall be, and declared by the Obligee to be, in default under the Approval, the Surety shall promptly:
 - a. Remedy the default in accordance with the terms and conditions of the Approval, or
 - b. Obtain a bid or bids for submission to the Obligee for remedying the default in accordance with the terms and conditions of the Approval and upon determination by the Obligee and the Surety of the lowest responsible bidder, arrange for a contract between such bidder and the Obligee and make available as work progresses (even though there should be a default, or a succession of defaults, under the contract or contracts of completion, arrange under this paragraph) sufficient funds to pay the cost of completion but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof.

- 2) The term of this Bond is one (1) year beginning on the date of execution of this Bond and ending on the first anniversary of the said date.

- 3) Provided always that if the Surety shall at any time give ninety (90) days notice in writing to the Principal and to the Director of its intention to put an end to the Suretyship hereby entered into then this bond and all accruing responsibility thereunder shall from and after the last day of such (ninety) 90 days aforesaid cease and determine except insofar as the Principal has made default prior to the said last day of such period, and provided that, should the Principal fail, within sixty (60) days of receipt by the Director of the said notice of termination, to provide financial security in at least the same amount as this bond in a form acceptable to the Obligee, the Surety shall automatically and immediately pay the full amount of this bond to the Obligee.
- 4) In the event the Surety becomes unable to fulfill its obligations under this bond for any reason, notice shall be given immediately, by registered mail, to the Principal and the Director. Upon the Director's receipt of the Surety's notification or upon the incapacity of the Surety by reason of bankruptcy, insolvency, or suspension or revocation of its license, the Principal shall be deemed to be without bond coverage and will be required to submit alternate financial security, subject to the approval of the Obligee and as required by Section 135 of the *Environmental Protection and Enhancement Act*, within 30 days.
- 5) Any Suit under this Bond must be instituted before the expiration of one (1) year from the date of termination.

IN WITNESS WHEREOF, the Principal and the Surety have Signed and Sealed this Bond this 9TH day of MARCH, 2018.

Signed and Sealed in the presence of:

JMB CRUSHING SYSTEMS ULC

 _____ (seal)
**NORTHBRIDGE GENERAL
INSURANCE CORPORATION**

 _____ (seal)
CASSIDY RUSH
Attorney-in-fact

PERFORMANCE BOND

BOND NO. BND0015362
APPROVAL NO. 001-263318

AMOUNT: \$ 39,805.00

KNOW ALL MEN BY THESE PRESENTS THAT **JMB CRUSHING SYSTEMS ULC** (hereinafter called "the Principal") and the **NORTHBRIDGE GENERAL INSURANCE CORPORATION** a corporation created and existing under the laws of Canada, and duly authorized to transact the business of Suretyship in Canada as Surety (hereinafter called "the Surety") are held and firmly bound unto **HER MAJESTY THE QUEEN IN RIGHT ALBERTA AS REPRESENTED BY THE MINISTER OF ENVIRONMENT AND PARKS ATTN: DIRECTOR, RED DEER/NORTH SASKATCHEWAN REGION**, as Obligee (hereinafter called "the Obligee"), in the amount of **THIRTY-NINE THOUSAND, EIGHT HUNDRED AND FIVE ---- 00/100** Dollars (**\$39,805.00**) lawful money of Canada for the payment of which sum, well and truly to be made, the Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally firmly by these presents.

WHEREAS, the Principal has applied for and the Obligee has granted **JMB CRUSHING SYSTEMS ULC** Approval Number **001-263318** (hereinafter called "the Approval") which is subject at any time to amendment by the Obligee, to operate **O'KANE PIT NE 10-057-06-W4M** operation, subject to the terms and conditions and requirements attached in the Approval.

- 1) Whenever the Principal shall be, and declared by the Obligee to be, in default under the Approval, the Surety shall promptly:
 - a. Remedy the default in accordance with the terms and conditions of the Approval, or
 - b. Obtain a bid or bids for submission to the Obligee for remedying the default in accordance with the terms and conditions of the Approval and upon determination by the Obligee and the Surety of the lowest responsible bidder, arrange for a contract between such bidder and the Obligee and make available as work progresses (even though there should be a default, or a succession of defaults, under the contract or contracts of completion, arrange under this paragraph) sufficient funds to pay the cost of completion but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof.
- 2) The term of this Bond is one (1) year beginning on the date of execution of this Bond and ending on the first anniversary of the said date.

- 3) Provided always that if the Surety shall at any time give ninety (90) days notice in writing to the Principal and to the Director of its intention to put an end to the Suretyship hereby entered into then this bond and all accruing responsibility thereunder shall from and after the last day of such (ninety) 90 days aforesaid cease and determine except insofar as the Principal has made default prior to the said last day of such period, and provided that, should the Principal fail, within sixty (60) days of receipt by the Director of the said notice of termination, to provide financial security in at least the same amount as this bond in a form acceptable to the Obligee, the Surety shall automatically and immediately pay the full amount of this bond to the Obligee.
- 4) In the event the Surety becomes unable to fulfill its obligations under this bond for any reason, notice shall be given immediately, by registered mail, to the Principal and the Director. Upon the Director's receipt of the Surety's notification or upon the incapacity of the Surety by reason of bankruptcy, insolvency, or suspension or revocation of its license, the Principal shall be deemed to be without bond coverage and will be required to submit alternate financial security, subject to the approval of the Obligee and as required by Section 135 of the *Environmental Protection and Enhancement Act*, within 30 days.
- 5) Any Suit under this Bond must be instituted before the expiration of one (1) year from the date of termination.

IN WITNESS WHEREOF, the Principal and the Surety have Signed and Sealed this Bond this 9TH day of MARCH, 2018.

Signed and Sealed in the presence of:

JMB CRUSHING SYSTEMS ULC

 _____ (seal)

**NORTHBRIDGE GENERAL
INSURANCE CORPORATION**

 _____ (seal)
CASSIDY RUSH
Attorney-in-fact

PERFORMANCE BOND

BOND NO. BND0015967
APPROVAL NO. 002-308161

AMOUNT: \$180,120.57

KNOW ALL MEN BY THESE PRESENTS THAT JMB CRUSHING SYSTEMS ULC (hereinafter called "the Principal") and the NORTHBRIDGE GENERAL INSURANCE COMPANY, a corporation created and existing under the laws of Canada, and duly authorized to transact the business of Suretyship in Canada as Surety (hereinafter called "the Surety") are held and firmly bound unto **HER MAJESTY THE QUEEN IN RIGHT OF ALBERTA AS REPRESENTED BY THE MINISTER OF ENVIRONMENT AND PARKS, ATTN: DIRECTOR RED DEER/NORTH SASKATCHEWAN REGION**, as Obligee (hereinafter called "the Obligee"), in the amount of ONE HUNDRED EIGHTY THOUSAND ONE HUNDRED TWENTY AND 57/100 Dollars (\$180,120.57) lawful money of Canada for the payment of which sum, well and truly to be made, the Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally firmly by these presents.

WHEREAS, the Principal has applied for and the Obligee has granted JMB CRUSHING SYSTEMS ULC Approval Number 002-308161 (hereinafter called "the Approval") which is subject at any time to amendment by the Obligee, to operate SHANKOWSKI PIT SW 21-056-07-W4M operation, subject to the terms and conditions and requirements attached in the Approval.

- 1) Whenever the Principal shall be, and declared by the Obligee to be, in default under the Approval, the Surety shall promptly:
 - a. Remedy the default in accordance with the terms and conditions of the Approval, or
 - b. Obtain a bid or bids for submission to the Obligee for remedying the default in accordance with the terms and conditions of the Approval and upon determination by the Obligee and the Surety of the lowest responsible bidder, arrange for a contract between such bidder and the Obligee and make available as work progresses (even though there should be a default, or a succession of defaults, under the contract or contracts of completion, arrange under this paragraph) sufficient funds to pay the cost of completion but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof.
- 2) The term of this Bond is one (1) year beginning on the date of execution of this Bond and ending on the first anniversary of the said date.

- 3) Provided always that if the Surety shall at any time give ninety (90) days notice in writing to the Principal and to the Director of its intention to put an end to the Suretyship hereby entered into then this bond and all accruing responsibility thereunder shall from and after the last day of such (ninety) 90 days aforesaid cease and determine except insofar as the Principal has made default prior to the said last day of such period, and provided that, should the Principal fail, within sixty (60) days of receipt by the Director of the said notice of termination, to provide financial security in at least the same amount as this bond in a form acceptable to the Obligee, the Surety shall automatically and immediately pay the full amount of this bond to the Obligee.
- 4) In the event the Surety becomes unable to fulfill its obligations under this bond for any reason, notice shall be given immediately, by registered mail, to the Principal and the Director. Upon the Director's receipt of the Surety's notification or upon the incapacity of the Surety by reason of bankruptcy, insolvency, or suspension or revocation of its license, the Principal shall be deemed to be without bond coverage and will be required to submit alternate financial security, subject to the approval of the Obligee and as required by Section 135 of the *Environmental Protection and Enhancement Act*, within 30 days.
- 5) Any Suit under this Bond must be instituted before the expiration of one (1) year from the date of termination.


IN WITNESS WHEREOF, the Principal and the Surety have Signed and Sealed this Bond this 13th day of November, 2018.

Signed and Sealed in the presence of:

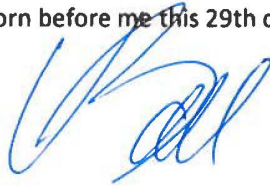
JMB CRUSHING SYSTEMS ULC

 (seal)

**NORTHBRIDGE GENERAL
INSURANCE COMPANY**

 (seal)
Allen Walter
Attorney-in-fact

This is Exhibit "C" referred to in the
Affidavit of Maxwell Harrison
Sworn before me this 29th day of March, 2021



A Commissioner for Oaths in and for Alberta

Vivienne M. Ball
Barrister & Solicitor
Alberta Justice and Solicitor General

Natasha Sutherland

From: Valerie Collins
Sent: Tuesday, October 20, 2020 10:38 AM
To: 'Jeff Buck'
Cc: 'Info@nbfc.com'; 'Dan.Robinson@nbfc.com'
Subject: BUKSA PIT NE 24-056-07-W4M - 15048
Attachments: PERFORMANCE BOND - 1 Year Term.doc; Security Options-New with Performance Bond.doc; 15048 Security Expiring - 2020.pdf

Morning

Attached is a letter advising your security deposit for the above pit is expiring December 12, 2020 along with our security options. Please note, the originals will not be mailed.

If you have any questions or concerns, please feel free to contact me.

Thanks

Valerie Collins

Valerie Collins
Application & Security Coordinator
Alberta Environment and Parks
Regulatory Approvals Centre
5th Floor, South Petroleum Plaza
9915 - 108 Street
Edmonton, AB T5K 2G8
Phone: (780) 427-9541 Fax: (780) 422-0154
E-Mail: Valerie.Collins@gov.ab.ca

Visit <https://avw.alberta.ca/ApprovalViewer.aspx> - An on-line viewing of Approvals, Licences, Registrations and Permits issued under the Water Act and Environmental Protection and Enhancement Act.

Classification: Protected A



Regulatory Assurance Division
Regulatory Approvals Centre
5th Floor, South Petroleum Plaza
9915 – 108 Street
Edmonton, Alberta T5K 2G8
Canada
Telephone: (780) 427-6311
Fax: (780) 422-0154
www.alberta.ca

October 20, 2020

Jeff Buck
JMB Crushing Systems ULC
BOX 6977
BONNYVILLE AB T9N 2H4

Dear Mr. Buck:

RE: Security Deposit
Buksa Pit NE 24-056-07-W4M
Registration No. 15048-03-00

Your Performance Bond No. BND0015360 in the amount of \$50,442.14 is expiring December 12, 2020. A Continuation Certificate or a replacement Bond for a minimum 1 year term is required one month prior to expiry. Also, please change the beneficiary's name to read as follows:

Her Majesty the Queen in Right of Alberta
as represented by the Minister of Environment and Parks
Attn: Director, North Region
5th Floor, 9915 108 Street
Edmonton, Alberta T5K 2G8

I have attached our security options for your information in case you would like to change your form of security.

If we do not receive a replacement security, we will have no alternative but to demand payment. Please give this matter your earliest attention.

Please call me at (780) 427-9541 if you have any questions.

Yours truly,

Valerie Collins

Valerie Collins
Application & Security Coordinator

Encl.

cc: Northbridge General Insurance Company
Stephen Abioye, North Region - Edmonton

This is Exhibit "D" referred to in the
Affidavit of Maxwell Harrison
Sworn before me this 29th day of March, 2021



A Commissioner for Oaths in and for Alberta

Vivienne M. Ball
Barrister & Solicitor
Alberta Justice and Solicitor General

PERFORMANCE BOND

BOND NO. BND0015360
APPROVAL NO. 004-15048

AMOUNT: \$ 15,441.00

KNOW ALL MEN BY THESE PRESENTS THAT **JMB CRUSHING SYSTEMS ULC** (hereinafter called "the Principal") and the **NORTHBRIDGE GENERAL INSURANCE CORPORATION** a corporation created and existing under the laws of Canada, and duly authorized to transact the business of Suretyship in Canada as Surety (hereinafter called "the Surety") are held and firmly bound unto **HER MAJESTY THE QUEEN IN RIGHT ALBERTA AS REPRESENTED BY THE MINISTER OF ENVIRONMENT AND PARKS ATTN: DIRECTOR, RED DEER/NORTH SASKATCHEWAN REGION**, as Obligee (hereinafter called "the Obligee"), in the amount of **FIFTEEN THOUSAND, FOUR HUNDRED AND FORTY-ONE ---- 00/100** Dollars (**\$15,441.00**) lawful money of Canada for the payment of which sum, well and truly to be made, the Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally firmly by these presents.

WHEREAS, the Principal has applied for and the Obligee has granted **JMB CRUSHING SYSTEMS ULC** Approval Number **004-15048** (hereinafter called "the Approval") which is subject at any time to amendment by the Obligee, to operate **BUKSA PIT NE 24-056-07-W4M** operation, subject to the terms and conditions and requirements attached in the Approval.

- 1) Whenever the Principal shall be, and declared by the Obligee to be, in default under the Approval, the Surety shall promptly:
 - a. Remedy the default in accordance with the terms and conditions of the Approval, or
 - b. Obtain a bid or bids for submission to the Obligee for remedying the default in accordance with the terms and conditions of the Approval and upon determination by the Obligee and the Surety of the lowest responsible bidder, arrange for a contract between such bidder and the Obligee and make available as work progresses (even though there should be a default, or a succession of defaults, under the contract or contracts of completion, arrange under this paragraph) sufficient funds to pay the cost of completion but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof.
- 2) The term of this Bond is one (1) year beginning on the date of execution of this Bond and ending on the first anniversary of the said date.

- 3) Provided always that if the Surety shall at any time give ninety (90) days notice in writing to the Principal and to the Director of its intention to put an end to the Suretyship hereby entered into then this bond and all accruing responsibility thereunder shall from and after the last day of such (ninety) 90 days aforesaid cease and determine except insofar as the Principal has made default prior to the said last day of such period, and provided that, should the Principal fail, within sixty (60) days of receipt by the Director of the said notice of termination, to provide financial security in at least the same amount as this bond in a form acceptable to the Obligee, the Surety shall automatically and immediately pay the full amount of this bond to the Obligee.
- 4) In the event the Surety becomes unable to fulfill its obligations under this bond for any reason, notice shall be given immediately, by registered mail, to the Principal and the Director. Upon the Director's receipt of the Surety's notification or upon the incapacity of the Surety by reason of bankruptcy, insolvency, or suspension or revocation of its license, the Principal shall be deemed to be without bond coverage and will be required to submit alternate financial security, subject to the approval of the Obligee and as required by Section 135 of the *Environmental Protection and Enhancement Act*, within 30 days.
- 5) Any Suit under this Bond must be instituted before the expiration of one (1) year from the date of termination.


IN WITNESS WHEREOF, the Principal and the Surety have Signed and Sealed this Bond this 9TH day of MARCH, 2018.

Signed and Sealed in the presence of:

JMB CRUSHING SYSTEMS ULC

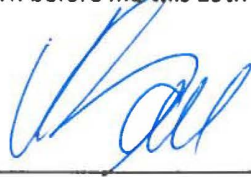


(seal)
**NORTHBRIDGE GENERAL
INSURANCE CORPORATION**



(seal)
CASSIDY RUSH
Attorney-in-fact

This is Exhibit "E" referred to in the
Affidavit of Maxwell Harrison
Sworn before me this 29th day of March, 2021



A Commissioner for Oaths in and for Alberta

Vivienne M. Ball
Barrister & Solicitor
Alberta Justice and Solicitor General



Regulatory Assurance Division
 Capital District – North Region
 111, 4999 98 Avenue NW
 Twin Atria Building
 Edmonton, AB T6B 2X3
 Telephone: 780-427-5296
www.aep.alberta.ca

November 18, 2020

File No's: JMB Registered Pits

Mr. Tyler Pell
tylerpell@jmbcrush.com
 Aggregate Resource Manager
 JMB Crushing Systems Inc
 PO Box 6977
 Bonnyville AB T9N 2H4

Dear Mr. Pell:

Re: JMB Crushing System Inc. Registered Pits – Advice Letter

With respect to your request to transfer certain *Environmental Protection and Enhancement Act* (EPEA) registrations from JMB Crushing Systems Inc. (JMB) to Mantle Materials Group Ltd (Mantle). Alberta Environment and Parks (AEP) has identified the following items that need to be resolved before AEP will consider your request to transfer these registrations:

1. Expired or Expiring Security Deposits

The following pits are currently registered to JMB Crushing Systems Inc., with their respective securities held:

- a. **15048-03-00 - Buksa Pit NE 24-056-07-W4M - \$50,442.14 expiring Dec. 12/20 – request to be transferred;**
- b. 17394-00-00 – E 35-056-06-W4M – cash \$7,800.00;
- c. **17395-01-00 – Havener Pit NW 16-056-07-W4M - \$41,872.00 expired Mar. 9/20 – request to be transferred;**
- d. 149949-00-00 – Megley Pit SE 35-058-16-W4M - \$\$74,683.81 **expired Mar. 9/20;**
- e. 263318-00-00 - O'Kane Pit NE 10-057-06-W4M - \$\$39,805.00 **expired Mar. 9/20;**
- f. 293051-00-00 – MacDonald Pit SE 34-056-07-W4M - \$16,695.00 **expired Mar. 9/20**
- g. 306490-00-00 – Kucy Pit NW 17, NE 18 & SE 19-063-09-W4M - \$31,872.25 **expired Mar. 9/20;** and
- h. **308161-00-00 – Shankowski Pit SW 21-056-07-W4M – \$180,120.57 expired Nov. 13/20 – request to be transferred.**

The security posted for each of the registered pits listed above is either expired or expiring this month or in December.

The expired security puts JMB in contravention of section 3.2.2 – 3.3.2 of the *Code of Practice for Pits* (Code) and s.84 of the *Environmental Protection and Enhancement Act* (EPEA). AEP requires that **every pit is in good standing prior to transfer**, which includes having a security deposit in form and amount acceptable to AEP.

Also, pursuant to section 5.4 and 5.5 of the Guide to the Code of Practice for Pits (Guide), a new registration holder is required to provide security prior to a transfer becoming effective. The security will be calculated based on full cost of reclamation and must be in AEP's acceptable form. Also, all pits that are currently in contravention of the Code due to either pit's boundary exceedance or trespasses would require these contraventions to be resolved prior to AEP making a decision about the transfer.

2. JMB's Plan for Registered Pits not part of the request to transfer

With only the 3 (in bold writings above) out of these 7 registered pits proposed for the transfer, what is JMB's plan and timing as it relates to operation or reclamation of the remaining 4 registered pits?

3. Landowner Consent Required

Moreover, as a requirement for pit operators on private lands, a written landowner permission is needed pursuant to section 3.2.1 of the Code. Please, provide the documents confirming the new permission for Mantle to operate from the landowner for each of the registered pit proposed to be transferred.

Please note that AEP has received court documents that indicate that Jerry Shankowski, the private landowner associated with pit registration 308161-00-00, objects to the transfer of this registration to Mantle.

Please, report all contravention of the EPEA or *Water Act* to the provincial Environmental Hotline at 1-800-222-6514.

AEP expects a response no later than **4:30 p.m. on December 2, 2020**. If you have any questions or concerns, please contact Stephen Abioye at 780-427-6451 or at stephen.abioye@gov.ab.ca.

Sincerely,



Muhammad Aziz
Designated Director under the Act

cc: Valerie Collins, Regulatory Approval Center (RAC)
Colette Strap, AEP
Jon Eeuwes, AEP
Nathan Polturak, AEP
Stephen Abioye, AEP

This is Exhibit "F" referred to in the
Affidavit of Maxwell Harrison
Sworn before me this 29th day of March, 2021



A Commissioner for Oaths in and for Alberta

Vivienne M. Ball
Barrister & Solicitor
Alberta Justice and Solicitor General



Regulatory Assurance
Capital Region
Spruce Grove
PO Box 4240 (T7X 3B4)
250 Diamond Avenue
Spruce Grove AB T7X 4C7
Telephone: 780-960-8600

February 12, 2021

Investigation No. 35659

Mr. Tyler Pell
tylerpell@jmbcrush.com
Aggregate Resource Manager
JMB Crushing Systems Inc.
PO Box 6977
Bonnyville AB T9N 2H4

Re: Letter of Non-Compliance – Pits regulated under the *Code of Practice* under *Environmental Protection and Enhancement Act (EPEA)* and *Conservation and Reclamation Regulation, and Water Act*

Alberta Environment and Parks (AEP) has identified numerous issues of non-compliance with pits registered to JMB Crushing Systems Inc.(JMB) located on private land. On January 26, 2021, AEP conducted a review of the Activities Plans and satellite imagery (attached as Appendix A) on the following Registrations:

Registration No. 149949-00-00 Megley Pit SE 35-58-16-4
Registration No. 15048-03-00 Buksa Pit NE 24-56-7-4
Registration No. 17395-01-00 Havener Pit NW 16-56-7-4
Registration No. 263318-00-00 O'Kane Pit NE 10-57-6-4
Registration No. 293318-00-00 MacDonald Pit SE 34-56-7-4
Registration No. 306490-00-00 Kucy Pit NW 17, NE 18 & SE 19-63-9-4
Registration No. 308161-00-00 Shankowski Pit SW 21-56-7-4

Code of Practice* under EPEA and *Conservation and Reclamation Regulation

AEP has determined that for one or all of the pits listed above, JMB has:

- failed to restore the required security;
- failed to submit the required 5-year report;
- failed to follow the Activities Plan mining sequence with absence of reclamation noted on all pits;
- failed to comply to the boundary approved in the Registration;
- failed to report these non-compliance issues to the Director.

- 2 -

The above are contraventions to the *Code of Practice for Pits* under EPEA and the *Conservation and Reclamation Regulation*:

"3.2.2 Unless exempted by the Act or the Conservation and Reclamation Regulation, as amended from time to time, no person shall commence or continue an activity at a pit unless the full amount of security for that pit has been provided to the Director, as authorized in writing by the Director."

"4.1.1 No person shall conduct any activity at a pit except in accordance with the most recent Activities Plan."

"6.1.1 In addition to any other reporting required pursuant to this Code of Practice, the Act or the regulations under the Act, any person carrying out an activity at a pit shall immediately report any contravention of this Code of Practice to: (a) the registration holder; and (b) the Director: (i) by telephone at (780) 422-4505, or (ii) by a method:(A) in compliance with the release reporting provisions of the Act and the regulations; or(B) authorized in writing by the Director."

"6.1.4 In addition to any other reporting requirements pursuant to this Code of Practice, the Act or the regulations, the registration holder shall provide a written report to the Director: (a) no later than 5 years after the date of the registration; and (b) every 5 years thereafter until."

"6.1.6 No person shall commence or continue an activity at a pit after the applicable date specified in 6.1.4 unless the applicable written report in 6.1.4 has been submitted to the Director."

Water Act

In addition to the above noted non-compliances, AEP has also observed water bodies, as defined under the *Water Act* on Kucy Pit and Megley Pit. If there has been a disturbance to ground water this could be considered an unauthorized activity and a contravention of section 36(1) of the *Water Act* which states:

"No person may commence or continue an activity except pursuant to an approval, unless it is otherwise authorized under this Act".

A review of departmental records indicates that no *Water Act* approval has been applied for or was issued for the above-mentioned activity and as such all work associated with the unauthorized activity must immediately stop.

Written Plan to Resolve Non-Compliance

For each pit, JMB Crushing Systems Inc. is required to submit a written plan to AEP by no later than February 18, 2021:

- detailing its assessment of the pit against the terms and conditions of the Registration and the *Code of Practice for Pits*.
- describing how JMB plans to bring each pit into compliance with the Registration and the *Code of Practice for Pits*, and by when;
- describing how JMB plans on assessing the potential *Water Act* contraventions

- 3 -

Please be advised that enforcement action arising from the above noted contravention of the *Code of Practice for Pits and Water Act* may also be taken without further notice. Should you have any questions regarding this letter, please contact the undersigned at 780-960-8659 or at april.franks@gov.ab.ca.

Respectfully,



April Franks
Environmental Protection Officer
Alberta Environment and Parks

CC. Maxwell Harrision, Compliance Manager (acting)
Heather Dent, Compliance Manger
Neil Brad, Regulatory Assurance Manager
Bryon LevKulich, Mantles Materials Group, Ltd.
Josh Inglett, Mantles Materials Group, Ltd.
Vivian Ball, Legal Services Division
Lee Plumb, Legal Services Division
Tom Cumming, Growling WLG (Canada) LLP

This is Exhibit "G" referred to in the
Affidavit of Maxwell Harrison
Sworn before me this 29th day of March, 2021



A Commissioner for Oaths in and for Alberta

Vivienne M. Ball
Barrister & Solicitor
Alberta Justice and Solicitor General

From: [Tyler Pell](#)
To: [April Franks](#)
Cc: [Maxwell Harrison](#); [Josh Inglett](#); [Byron LevKulich \(Byron.LevKulich@rlholdings.com\)](#); [Heather Dent](#); [Tom.Cumming@gowlingwlg.com](#); [Vivienne Ball](#); [Lee Plumb](#); [Neil Brad](#)
Subject: RE: See attached important correspondence from Alberta Environment and Parks
Date: February-16-21 4:32:55 PM

CAUTION: This email has been sent from an external source. Treat hyperlinks and attachments in this email with care.

Hi April

As a follow up to our phone conversation today, JMB is requesting an extension on the requirements from your February 12, 2021 letter in regards to the submission date of the *Written Plan to Resolve Non-Compliance*. We are requesting a new submission date of Monday February 22, 2021.

If you have any questions please contact me.

Regards,

Tyler Pell
1.780.815.0139

From: April Franks <April.Franks@gov.ab.ca>
Sent: February 12, 2021 16:31
To: Tyler Pell <tylerpell@jmbcrush.com>
Cc: Maxwell Harrison <maxwell.harrison@gov.ab.ca>; Josh Inglett <josh.inglett@RLHoldings.com>; Byron LevKulich (Byron.LevKulich@rlholdings.com) <Byron.LevKulich@rlholdings.com>; Heather Dent <Heather.Dent@gov.ab.ca>; Tom.Cumming@gowlingwlg.com; Vivienne Ball <vivienne.ball@gov.ab.ca>; Lee Plumb <Lee.Plumb@gov.ab.ca>; Neil Brad <neil.brad@gov.ab.ca>
Subject: See attached important correspondence from Alberta Environment and Parks
Importance: High

Good afternoon Tyler,

See attached letter for your **attention and response by February 18, 2021**. I would be happy to set up a call with you on Tuesday February 16, 2021 to answer any questions you may have in regards to the attached correspondence. Please send acknowledgement once you have received this email.

Regards,

April Franks
Environmental Protection Officer

Capital - North Region | Regulatory Assurance Division
Suite #1 250 Diamond Avenue

Spruce Grove, Alberta T7X 4C7

Phone: 780-960-8659 | Cell: 780-619-0711

Email: april.franks@gov.ab.ca

24 Hour Environmental Response Line: 1-800-222-6514



Classification: Protected A

This is Exhibit "H" referred to in the
Affidavit of Maxwell Harrison
Sworn before me this 29th day of March, 2021



A Commissioner for Oaths in and for Alberta

Vivienne M. Ball
Barrister & Solicitor
Alberta Justice and Solicitor General

From: [Tyler Pell](#)
To: [April Franks](#)
Cc: [Josh Inglett](#); [Byron LevKulich \(Byron.LevKulich@rlholdings.com\)](#); [Tom.Cumming@gowlingwlg.com](#); [Maxwell Harrison](#)
Subject: RE: See attached important correspondence from Alberta Environment and Parks
Date: February-23-21 10:27:45 AM

CAUTION: This email has been sent from an external source. Treat hyperlinks and attachments in this email with care.

Received, thanks April.

Tyler Pell
1.780.815.0139

From: April Franks <April.Franks@gov.ab.ca>
Sent: February 23, 2021 10:26
To: Tyler Pell <tylerpell@jmbcrush.com>
Cc: Josh Inglett <josh.inglett@RLHoldings.com>; Byron LevKulich (Byron.LevKulich@rlholdings.com) <Byron.LevKulich@rlholdings.com>; Tom.Cumming@gowlingwlg.com; Maxwell Harrison <maxwell.harrison@gov.ab.ca>
Subject: RE: See attached important correspondence from Alberta Environment and Parks
Importance: High

Good morning Tyler,

AEP will grant your request to extend the submission deadline for the response to the Notice of Non-Compliance from February 22, 2021 to February 24, 2021.

Regards,
April Franks
Environmental Protection Officer

Capital - North Region | Regulatory Assurance Division
Suite #1 250 Diamond Avenue
Spruce Grove, Alberta T7X 4C7

Phone: 780-960-8659 | Cell: 780-619-0711
Email: april.franks@gov.ab.ca

24 Hour Environmental Response Line: 1-800-222-6514

 Alberta Environment and Parks

Classification: Protected A

From: Tyler Pell <tylerpell@jmbcrush.com>
Sent: February-23-21 8:13 AM
To: April Franks <April.Franks@gov.ab.ca>
Cc: Maxwell Harrison <maxwell.harrison@gov.ab.ca>; Josh Inglett <josh.inglett@RLHoldings.com>; Byron LevKulich (Byron.LevKulich@rlholdings.com) <Byron.LevKulich@rlholdings.com>; Heather Dent <Heather.Dent@gov.ab.ca>; Tom.Cumming@gowlingwlg.com; Vivienne Ball <vivienne.ball@gov.ab.ca>; Lee Plumb <Lee.Plumb@gov.ab.ca>; Neil Brad <neil.brad@gov.ab.ca>
Subject: RE: See attached important correspondence from Alberta Environment and Parks

CAUTION: This email has been sent from an external source. Treat hyperlinks and attachments in this email with care.

Hi April

Unfortunately we were not able to finish the plan to meet the deadline submission of February 22 as there are some finer details still to work out. JMB is requesting an extension until February 24.

Regards,

Tyler Pell
1.780.815.0139

From: April Franks <April.Franks@gov.ab.ca>
Sent: February 17, 2021 11:05
To: Tyler Pell <tylerpell@jmbcrush.com>
Cc: Maxwell Harrison <maxwell.harrison@gov.ab.ca>; Josh Inglett <josh.inglett@RLHoldings.com>; Byron LevKulich (Byron.LevKulich@rlholdings.com) <Byron.LevKulich@rlholdings.com>; Heather Dent <Heather.Dent@gov.ab.ca>; Tom.Cumming@gowlingwlg.com; Vivienne Ball <vivienne.ball@gov.ab.ca>; Lee Plumb <Lee.Plumb@gov.ab.ca>; Neil Brad <neil.brad@gov.ab.ca>
Subject: RE: See attached important correspondence from Alberta Environment and Parks

Good morning Tyler,

AEP agrees to extend the submission date deadline of the **Written Plan to Resolve Non-Compliance** from February 18, 2021 to February 22, 2021.

Regards,
April Franks

Classification: Protected A

From: Tyler Pell <tylerpell@jmbcrush.com>
Sent: February-16-21 4:33 PM
To: April Franks <April.Franks@gov.ab.ca>

Cc: Maxwell Harrison <maxwell.harrison@gov.ab.ca>; Josh Inglett <josh.inglett@RLHoldings.com>; Byron LevKulich (Byron.LevKulich@rlholdings.com) <Byron.LevKulich@rlholdings.com>; Heather Dent <Heather.Dent@gov.ab.ca>; Tom.Cumming@gowlingwlg.com; Vivienne Ball <vivienne.ball@gov.ab.ca>; Lee Plumb <Lee.Plumb@gov.ab.ca>; Neil Brad <neil.brad@gov.ab.ca>
Subject: RE: See attached important correspondence from Alberta Environment and Parks

CAUTION: This email has been sent from an external source. Treat hyperlinks and attachments in this email with care.

Hi April

As a follow up to our phone conversation today, JMB is requesting an extension on the requirements from your February 12, 2021 letter in regards to the submission date of the *Written Plan to Resolve Non-Compliance*. We are requesting a new submission date of Monday February 22, 2021.

If you have any questions please contact me.

Regards,

Tyler Pell
1.780.815.0139

From: April Franks <April.Franks@gov.ab.ca>
Sent: February 12, 2021 16:31
To: Tyler Pell <tylerpell@jmbcrush.com>
Cc: Maxwell Harrison <maxwell.harrison@gov.ab.ca>; Josh Inglett <josh.inglett@RLHoldings.com>; Byron LevKulich (Byron.LevKulich@rlholdings.com) <Byron.LevKulich@rlholdings.com>; Heather Dent <Heather.Dent@gov.ab.ca>; Tom.Cumming@gowlingwlg.com; Vivienne Ball <vivienne.ball@gov.ab.ca>; Lee Plumb <Lee.Plumb@gov.ab.ca>; Neil Brad <neil.brad@gov.ab.ca>
Subject: See attached important correspondence from Alberta Environment and Parks
Importance: High

Good afternoon Tyler,

See attached letter for your **attention and response by February 18, 2021**. I would be happy to set up a call with you on Tuesday February 16, 2021 to answer any questions you may have in regards to the attached correspondence. Please send acknowledgement once you have received this email.

Regards,

April Franks
Environmental Protection Officer

Capital - North Region | Regulatory Assurance Division
Suite #1 250 Diamond Avenue
Spruce Grove, Alberta T7X 4C7

Phone: 780-960-8659 | Cell: 780-619-0711

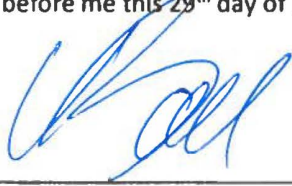
Email: april.franks@gov.ab.ca

24 Hour Environmental Response Line: 1-800-222-6514



Classification: Protected A

This is Exhibit "I" referred to in the
Affidavit of Maxwell Harrison
Sworn before me this 29th day of March, 2021



A Commissioner for Oaths in and for Alberta

Vivienne M. Ball
Barrister & Solicitor
Alberta Justice and Solicitor General



JMB Crushing Systems
P.O. Box 6977
Bonnyville, AB T9N 2H4

February 24, 2021

April Franks
Environmental Protection Officer
Regional Compliance
Environment and Parks
1st fl 250 Diamond Avenue
Spruce Grove, AB T7X 4C7

**Re: Written Plan to Resolve Non-Compliances – Investigation No. 35659
Buksa 15048-03-02, Havener 17395-01-00, Kucy 306490-00-00, MacDonald 293051-00-00,
Megley 149949-00-00, Okane 263318-00-00,**

This letter is submitted by JMB Crushing Systems Inc. (“JMB”) in response to your February 12, 2021 letter in which Alberta Environment and Parks (“AEP”) required a written plan (the “Plan”) to be submitted by February 18, 2021. Further clarification of the letter and the requirements were discussed during a follow up meeting with AEP and JMB on February 16, 2021. An extension to February 24, 2021 was requested by JMB after the meeting and granted by AEP.

As you are aware, pursuant to an order of the Court of Queen's Bench of Alberta (the “Court”) under the *Companies' Creditors Arrangement Act* (the “CCAA”) made on May 1, 2020, JMB and its subsidiary, 2161889 Alberta Ltd. (“216”), were granted protection from their creditors and FTI Consulting Canada Inc. was appointed as their monitor (the “Monitor”). The Court subsequently approved a sale and investment solicitation procedure, under which the Monitor and a sale advisor marketed the assets of JMB and 216. The only viable proposal to purchase certain core assets of JMB and 216 was set out in a bid submitted by Mantle Resources Group, Ltd. (“Mantle”). Pursuant to an asset purchase agreement dated September 28, 2020 between JMB and 216 as vendors and Mantle as purchaser, and a plan of arrangement filed by JMB and Mantle, the core assets of JMB and 216 were to be vested in Mantle, Mantle was to assume specific liabilities, and the remaining assets and liabilities of JMB were to be vested in 216.

Mantle, JMB and 216 intend to amend and restate the purchase agreement and plan of arrangements such that a new corporation will be incorporated (“ResidualCo”), JMB and 216 will retain their respective public lands dispositions and registrations under the *Environmental Protection and Enhancement Act* (the “EPEA”) and the majority of their core assets that were previously to be vested in Mantle, and certain residual non-regulated assets and all non-assumed liabilities will be vested in ResidualCo. The effect of



JMB Crushing Systems
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Bonnyville, AB T9N 2H4

this is that Mantle and JMB would be subsidiaries of RLF Canada Holdings Limited, 216 would remain a subsidiary of JMB, JMB and 216 would emerge as solvent companies from the CCAA proceedings, and Mantle would fund the combined business of the three corporations. The revised transaction contemplates that replacement security will be provided for the pits subject to EPEA registration nos. 15048-03-02, 17395-01-00, 306490-00-00, 293051-00-00, 149949-00-00, 263318-00-00 and 308161-00-00.

As previously discussed with you, in order to enable a supply contract with the Municipal District of Bonnyville No. 87 to be performed, JMB is required to commence operations in the Shankowski pit (registration no. 308161-00-00), and therefore Mantle will provide the funds to JMB to permit this security to be posted in cash form. Also, a revised Activity Plan addressing the non-compliances is to be immediately filed so that the registration can be put into good standing. This is subject to a letter sent concurrently with this letter.

Mantle is exiting CCAA under challenging market conditions and without a sales backlog. Current and first year financial pressures play a factor in financing the outstanding reclamation. Mantle will perform progressive reclamation on the pits as production is performed. As markets and sales improve there will be opportunity to align reclamation implementation with crushing operations. This approach takes advantages of the economies of scale with heavy equipment and personnel already on site. Fully addressing the current volume of outstanding reclamation for all the pits is proposed to take four years with some pits only taking three years. Reclamation in the first year of operations will be of a smaller scale on the private land pits and each year after that will increase to meet, in some cases, a four-year timeframe. General details are presented below, and further detail will be presented in each individual Updated Activity Plan ("UAP") submission in relation to any unique technical details of operations and reclamation.

With the potential June 2021 deployment of the new Sand & Gravel framework and digital platform, all required UAP's applications are proposed to be submitted by May 31, 2021.

Updated reclamation security amounts will be submitted as part of AEP's typical UAP approval process.



JMB Crushing Systems
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 Bonnyville, AB T9N 2H4

The following criteria was used for the assessment and planning of each individual pit non-compliance and/or issue:

Assessment

- Desktop review of the current conditions of the pit.
- Review current Activity Plan to compare against current conditions.
- Determination of issue and/or further detailing of non-compliance and when it likely occurred.

Plans to address issues and bring pit into compliance

- List out tasks that, when implemented, go towards getting the pit back into compliance and/or address issues.

Written Plan Information by Pit

Buksa 15048-03-02

Assessment of Pit

- Non-compliance: security
- 2017 UAP covers current disturbance area.
- ~3.5 ha of the 17.6 ha of COP registration area is reclaimed.

Plan to bring pit into compliance

- Post security.

Timeline

- Post security as part of the closing of CCAA court proceedings.

Havener 17395-01-00

Assessment of Pit

- Non-compliances: security, boundary, 5 year report
- Large disturbance area inside and outside registration boundary.
- Boundary non-compliance, sequencing, and improved progressive reclamation need to be addressed and updated through an UAP submission.
- 20% of total disturbed area is revegetated as a form of temporary reclamation.



JMB Crushing Systems
 P.O. Box 6977
 Bonnyville, AB T9N 2H4

Plan to bring into compliance

- UAP submission.
- Post security.
- Submit 5 year report.
- Implementation of sequencing and reclamation based on UAP.

Timeline

- 5 year report submitted February 18, 2021.
- UAP application submission - May 31, 2021.
- Post security as part of the closing of CCAA court proceedings – Upon acceptance of the UAP.
- Implementation of operational and reclamation improvements within three years of UAP approval.

Scheduling factors

- Frost free resource assessment in disturbed areas.
- Larger amount of reclamation liability and/or effort required to address issues.
- First year budget and annual budgeting for the foreseeable future .
- Development, submission, and AEP review time for final approval of an UAP application before operations and improved reclamation can be implemented.

Kucy 306490-00-00

Assessment of Pit

- Non-compliances: security, boundary, Water Act
- Boundary presented by AEP is incorrect and there are no JMB operations in SW 20-63-09-W4.
- Working in the water table and an end pit water body design is documented in the current approved Activities Plan (2012 approval). Also referenced is bailing as a method of the working in the water table and no requirement for a Water Act approvals based on the *Guide to the code of practice for pits*.
- Current water body surface area is 1.5 ha, approved area in Activities Plan is 0.6 ha.
- Aside from the operations outside the registration boundary, the mining sequence was followed but not completed.



JMB Crushing Systems
 P.O. Box 6977
 Bonnyville, AB T9N 2H4

Plan to bring into compliance

- UAP submission for reclamation.
- Post security.
- Implementation of final reclamation based on UAP.
- Work with AEP to determine final Water Act approval requirements for designed end pit lake or filling in water body.

Timeline

- UAP application submission - May 31, 2021.
- Water Act submission – TBD in 2021 based on results of consultation with AEP.
- Post security as part of the closing of CCAA court proceedings – Upon acceptance of the UAP.
- Implementation of final reclamation within three years of UAP approval.

Scheduling factors

- First year budget and annual budgeting for the foreseeable future.
- Effort and time to receive approval from landowners for final reclamation plan as there will be no Royalty Agreement in place which gives us the right to access the land for and reclamation.
- Due diligence and frost free testing of resource by 3rd party (Urlacher Construction) that has an interest in taking over the registration of the pit.
- Development, submission, and AEP review time for final approval of an UAP application before reclamation can be implemented.
- Frost free assessment of pit waterbodies and the typical time period to acquire the applicable Water Act approvals.

MacDonald 293051-00-00

Assessment of Pit

- Non-compliances: security, boundary
- UAP application was submitted in 2018 to formally address boundary non-compliance and update mining plans. The UAP itself was reviewed by Stephen Abioye, AEP and only the submission of the updated security amount to AEP was required to have the registration formally updated. JMB was unable to provide additional funds to cover off the updated security amount. May 1st, 2020 JMB sought and obtained an initial order from the Court of



JMB Crushing Systems
 P.O. Box 6977
 Bonnyville, AB T9N 2H4

the Queen's Bench of Alberta under the CCAA. The 2018 UAP application was withdrawn May 22, 2020 on the advice of Stephen.

- Current disturbance used for inventory storage and needing reclamation is ~5.7 ha.

Plan to bring into compliance

- UAP re-submission for final operations and reclamation.
- Post security.

Timeline

- UAP application submission - March 31, 2021.
- Post security as part of the closing of CCAA court proceedings – Upon acceptance of the UAP.
- Implementation of final reclamation within three years of UAP approval.

Scheduling factors

- Existing inventory and likelihood of selling it within two years.
- Effort and time to receive approval from landowner for final operations and reclamation plan as there is no Royalty Agreement in place which gives us the right to access the land.

Megley 149949-00-00

Assessment of Pit

- Non-compliances: security, boundary, Water Act
- Boundary non-compliance, sequencing, and final reclamation need to be addressed and updated through an UAP submission.
- The creation of a water body and working in the water table in the east were not approved or applied for under the Water Act.
- Water body was not proposed in current Activities Plan.
- Approximately 40% of the total pit disturbance inside and outside of the registration boundary has already been reclaimed and harvested as a commercial crop by a local farmer.

Plan to bring into compliance

- UAP submission for reclamation.
- Post security.
- Implementation of final reclamation based on UAP.



JMB Crushing Systems
 P.O. Box 6977
 Bonnyville, AB T9N 2H4

- Work with AEP to determine final Water Act approval requirements for filling in created water body.

Timeline

- UAP application submission – May 31, 2021.
- Post security as part of the closing of CCAA court proceedings – Upon acceptance of the UAP.
- Water Act submission – TBD based on results of consultation with AEP.
- Implementation of final reclamation within three years of UAP approval.

Scheduling factors

- First year budget and annual budgeting for the foreseeable future.
- Effort and time to receive approval from landowner for final reclamation plan even though there is a Royalty Agreement in place which gives us the right to access the land for and reclamation.
- Development, submission, and AEP review time for final approval of an UAP application before reclamation can be implemented.
- Frost free assessment of pit waterbodies and the typical time period to acquire the applicable Water Act approvals.
- Larger amount of reclamation liability and/or effort required to address issues.

Okane 263318-00-00

Assessment of Pit

- Non-compliances: security, boundary, 5 year report
- Of the 8 ha of original registration area, approximately 5.1 ha has been reclaimed.
- The current disturbed area requiring reclamation is 6.8 ha.
- Inside the registration area the mining sequence was followed.

Plan to bring into compliance

- UAP submission for reclamation.
- Post security.
- Implementation of final reclamation based on UAP.

Timeline

- 5 year report submitted February 18, 2021.



JMB Crushing Systems
P.O. Box 6977
Bonnyville, AB T9N 2H4

-
- UAP application submission – April 30, 2021.
 - Post security as part of the closing of CCAA court proceedings – Upon acceptance of the UAP.
 - Implementation of final reclamation within 3 years of UAP approval.

Scheduling factors

- First year budget and annual budgeting for the foreseeable future.
- Effort and time to receive approval from new landowner for final reclamation plan even though there is a Royalty Agreement in place which gives us the right to access the land for and reclamation.
- Development, submission, and AEP review time for final approval of an UAP application before final reclamation can be implemented.

See attached table that summarizes the unique details of reported non-compliances and maps showing the current registration boundary and 2020 imagery.

If you have any questions please contact the undersigned.

Regards,

A handwritten signature in blue ink that reads 'Tyler Pell'.

Tyler Pell
Aggregates Resource Manager
JMB Crushing Systems Inc.
tylerpell@jmbcrushing.com
1.780.815.0139

This is Exhibit "J" referred to in the
Affidavit of Maxwell Harrison
Sworn before me this 29th day of March, 2021



A Commissioner for Oaths in and for Alberta

Vivienne M. Ball
Barrister & Solicitor
Alberta Justice and Solicitor General

From: [April Franks](#)
To: [Tyler Pell](#)
Cc: [Josh Inglett](#); [Byron LevKulich \(Byron.LevKulich@rholdings.com\)](#); [Tom Cumming@gowlingwlg.com](#)
Bcc: [Maxwell Harrison](#); [Neil Brad](#); [Heather Dent](#)
Subject: AEP Response to JMB's written plan package
Date: March-10-21 4:35:00 PM
Importance: High

Hello Mr. Pell,

Thank you for providing the requested response to the February 12, 2021 Notice of Non-Compliance.

JMB proposed plans with regards to MacDonald Pit, the plan contains conditional timelines and outcomes that do not provide the defined, timely, and achievable commitments that AEP requires to be satisfied that the non-compliances will be resolved.

JMB proposed plans with regards to Megley Pit, the plan contains conditional timelines and outcomes that do not provide the defined, timely, and achievable commitments that AEP requires to be satisfied that the non-compliances will be resolved.

JMB proposed plans with regards to Kucy Pit, the plan contains conditional timelines and outcomes that do not provide the defined, timely, and achievable commitments that AEP requires to be satisfied that the non-compliances will be resolved.

JMB proposed plans with regards to Havener Pit, the plan contains conditional timelines and outcomes that do not provide the defined, timely, and achievable commitments that AEP requires to be satisfied that the non-compliances will be resolved.

JMB proposed plans with regards to Buksa Pit, the plan contains conditional timelines and outcomes that do not provide the defined, timely, and achievable commitments that AEP requires to be satisfied that the non-compliances will be resolved.

JMB proposed plans with regards to O'Kane Pit, the plan contains conditional timelines and outcomes that do not provide the defined, timely, and achievable commitments that AEP requires to be satisfied that the non-compliances will be resolved.

At this time, AEP will have to proceed with alternative regulatory tools in order to ensure these requirements are addressed.

Regards,

April Franks

Environmental Protection Officer

Capital - North Region | Regulatory Assurance Division
Suite #1 250 Diamond Avenue
Spruce Grove, Alberta T7X 4C7

Phone: 780-960-8659 | Cell: 780-619-0711

Email: april.franks@gov.ab.ca

24 Hour Environmental Response Line: 1-800-222-6514

 Alberta Environment
and Parks

Classification: Protected A

From: Tyler Pell <tylerpell@jmbcrush.com>

Sent: February-24-21 10:08 AM

To: April Franks <April.Franks@gov.ab.ca>

Cc: Josh Inglett <josh.inglett@RLHoldings.com>; Byron LevKulich (Byron.LevKulich@rlholdings.com) <Byron.LevKulich@rlholdings.com>; Tom.Cumming@gowlingwlg.com; Maxwell Harrison <maxwell.harrison@gov.ab.ca>

Subject: RE: See attached important correspondence from Alberta Environment and Parks

CAUTION: This email has been sent from an external source. Treat hyperlinks and attachments in this email with care.

Good morning April,

See attached for JMB's written plan package in response to your February 12, 2021 letter.

Regards,

Tyler Pell
1.780.815.0139

From: April Franks <April.Franks@gov.ab.ca>

Sent: February 23, 2021 10:26

To: Tyler Pell <tylerpell@jmbcrush.com>

Cc: Josh Inglett <josh.inglett@RLHoldings.com>; Byron LevKulich (Byron.LevKulich@rlholdings.com) <Byron.LevKulich@rlholdings.com>; Tom.Cumming@gowlingwlg.com; Maxwell Harrison <maxwell.harrison@gov.ab.ca>

Subject: RE: See attached important correspondence from Alberta Environment and Parks

Importance: High

Good morning Tyler,

AEP will grant your request to extend the submission deadline for the response to the Notice of Non-Compliance from February 22, 2021 to February 24, 2021.

Regards,

April Franks

Environmental Protection Officer

Capital - North Region | Regulatory Assurance Division
Suite #1 250 Diamond Avenue
Spruce Grove, Alberta T7X 4C7

Phone: 780-960-8659 | Cell: 780-619-0711

Email: april.franks@gov.ab.ca

24 Hour Environmental Response Line: 1-800-222-6514

 Alberta Environment and Parks

Classification: Protected A

From: Tyler Pell <tylerpell@jmbcrush.com>

Sent: February-23-21 8:13 AM

To: April Franks <April.Franks@gov.ab.ca>

Cc: Maxwell Harrison <maxwell.harrison@gov.ab.ca>; Josh Inglett <josh.inglett@RLHoldings.com>; Byron LevKulich (Byron.LevKulich@rlholdings.com) <Byron.LevKulich@rlholdings.com>; Heather Dent <Heather.Dent@gov.ab.ca>; Tom.Cumming@gowlingwlg.com; Vivienne Ball <vivienne.ball@gov.ab.ca>; Lee Plumb <Lee.Plumb@gov.ab.ca>; Neil Brad <neil.brad@gov.ab.ca>

Subject: RE: See attached important correspondence from Alberta Environment and Parks

CAUTION: This email has been sent from an external source. Treat hyperlinks and attachments in this email with care.

Hi April

Unfortunately we were not able to finish the plan to meet the deadline submission of February 22 as there are some finer details still to work out. JMB is requesting an extension until February 24.

Regards,

Tyler Pell
1.780.815.0139

From: April Franks <April.Franks@gov.ab.ca>

Sent: February 17, 2021 11:05

To: Tyler Pell <tylerpell@jmbcrush.com>

Cc: Maxwell Harrison <maxwell.harrison@gov.ab.ca>; Josh Inglett <josh.inglett@RLHoldings.com>; Byron LevKulich (Byron.LevKulich@rlholdings.com) <Byron.LevKulich@rlholdings.com>; Heather Dent <Heather.Dent@gov.ab.ca>; Tom.Cumming@gowlingwlg.com; Vivienne Ball <vivienne.ball@gov.ab.ca>; Lee Plumb <Lee.Plumb@gov.ab.ca>; Neil Brad <neil.brad@gov.ab.ca>

Subject: RE: See attached important correspondence from Alberta Environment and Parks

Good morning Tyler,

AEP agrees to extend the submission date deadline of the **Written Plan to Resolve Non-Compliance** from February 18, 2021 to February 22, 2021.

Regards,
April Franks

Classification: Protected A

From: Tyler Pell <tylerpell@jmbcrush.com>

Sent: February-16-21 4:33 PM

To: April Franks <April.Franks@gov.ab.ca>

Cc: Maxwell Harrison <maxwell.harrison@gov.ab.ca>; Josh Inglett <josh.inglett@RLHoldings.com>; Byron LevKulich (Byron.LevKulich@rlholdings.com) <Byron.LevKulich@rlholdings.com>; Heather Dent <Heather.Dent@gov.ab.ca>; Tom.Cumming@gowlingwlg.com; Vivienne Ball <vivienne.ball@gov.ab.ca>; Lee Plumb <Lee.Plumb@gov.ab.ca>; Neil Brad <neil.brad@gov.ab.ca>

Subject: RE: See attached important correspondence from Alberta Environment and Parks

CAUTION: This email has been sent from an external source. Treat hyperlinks and attachments in this email with care.

Hi April

As a follow up to our phone conversation today, JMB is requesting an extension on the requirements from your February 12, 2021 letter in regards to the submission date of the *Written Plan to Resolve Non-Compliance*. We are requesting a new submission date of Monday February 22, 2021.

If you have any questions please contact me.

Regards,

Tyler Pell
1.780.815.0139

From: April Franks <April.Franks@gov.ab.ca>

Sent: February 12, 2021 16:31

To: Tyler Pell <tylerpell@jmbcrush.com>

Cc: Maxwell Harrison <maxwell.harrison@gov.ab.ca>; Josh Inglett <josh.inglett@RLHoldings.com>; Byron LevKulich (Byron.LevKulich@rlholdings.com) <Byron.LevKulich@rlholdings.com>; Heather Dent <Heather.Dent@gov.ab.ca>; Tom.Cumming@gowlingwlg.com; Vivienne Ball <vivienne.ball@gov.ab.ca>; Lee Plumb <Lee.Plumb@gov.ab.ca>; Neil Brad <neil.brad@gov.ab.ca>

Subject: See attached important correspondence from Alberta Environment and Parks

Importance: High

Good afternoon Tyler,

See attached letter for your **attention and response by February 18, 2021**. I would be happy to set up a call with you on Tuesday February 16, 2021 to answer any questions you may have in regards to the attached correspondence. Please send acknowledgement once you have received this email.

Regards,

April Franks
Environmental Protection Officer

Capital - North Region | Regulatory Assurance Division
Suite #1 250 Diamond Avenue
Spruce Grove, Alberta T7X 4C7

Phone: 780-960-8659 | Cell: 780-619-0711
Email: april.franks@gov.ab.ca

24 Hour Environmental Response Line: 1-800-222-6514



Classification: Protected A

This is Exhibit "K" referred to in the
Affidavit of Maxwell Harrison
Sworn before me this 29th day of March, 2021



A Commissioner for Oaths in and for Alberta

Vivienne M. Ball
Barrister & Solicitor
Alberta Justice and Solicitor General



**Regulatory Assurance
North Region - Capital**
PO Box 4240 (T7X 3B4)
Suite #1, 250 Diamond Avenue
Spruce Grove AB T7X 4C7
Telephone: 780-960-8600

ENVIRONMENTAL PROTECTION AND ENHANCEMENT ACT

BEING RSA 2000, c. E-12 (the "Act")

ENVIRONMENTAL PROTECTION ORDER EPO-EPEA-35659-04

JMB Crushing Systems Inc.
Suite 2300, Bentall 5 550, Burrard Street
Vancouver BC
V6C 2B5,
Canada

Byron Levkulich, Director
JMB Crushing Systems Inc.
1400 16th Street, Suite 320
Denver CO 80202
United States

Aaron Patsch, Director
JMB Crushing Systems Inc.
1400 16th Street, Suite 320
Denver CO 80202
United States

Jeffrey Buck, former Director
JMB Crushing Systems Inc.
3439 Keswick Boulevard SW
Edmonton, AB
T6W 3B2

Collectively referred to as the "Parties"

WHEREAS JMB Crushing Systems Inc. ("JMB") operates a pit under Registration No. 17395-01-00 located at NW 16-056-07-W4M (Havener Pit) in the County of St. Paul No. 19 (the "Havener Pit");

WHEREAS Byron Levkulich and Aaron Patsch are Directors of JMB and Jeffrey Buck is a former Director of JMB ("Parties");

WHEREAS Lynne Havener and Gail Havener own the land on which Havener Pit is located'

WHEREAS section 2.1.1 of the *Code of Practice for Pits* states any person who carries out an activity at a pit must do so in accordance with this Code of Practice;

- 2 -

WHEREAS an "activity at a pit" is defined in the *Code of Practice for Pits* to mean the construction, operation or reclamation of a pit;

WHEREAS on January 20, 2020 Alberta Environment and Parks ("AEP") sent an email to JMB stating that Havener Pit security Bond No. BND0015361 in the amount of \$41,872.00 is expiring March 9, 2020.

WHEREAS on May 1, 2020 JMB indicated to AEP that they were entering The Companies Creditors Arrangement Act proceedings;

WHEREAS on May 1, 2020, JMB obtained an initial order from the Court under the *Companies Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;

WHEREAS on November 18, 2020, AEP sent a letter to JMB indicating they failed to replace financial security instruments on 7 pits that were registered to JMB and located on private land, including the Havener Pit;

WHEREAS on January 26, 2021, April Franks, an Environmental Protection Officer ("EPO") and a designated Inspector under the *Environmental Protection and Enhancement Act* RSA 2000, c E-12 (the "Inspector"), conducted a review of the Havener Pit Activities Plan and 2019 satellite imagery of the area and determined that JMB contravened the *Code of Practice for Pits* by:

- failing to restore the required financial security as required under section 3.2.2 of the *Code of Practice for Pits*;
- failing to follow the Activities Plan mining sequence including not conducting reclamation as required under section 4.1.1 of the *Code of Practice for Pits*;
- failing to comply to the boundary approved in the Registration as required under section 4.1.1 of the *Code of Practice for Pits*;
- failing to report non-compliance issues to the Director as required under section 6.1.1 of the *Code of Practice for Pits*;

WHEREAS reclamation of the disturbed land on Havener Pit has not occurred to date;

WHEREAS section 3.2.2 of the *Code of Practice for Pits* states "unless exempted by the Act or the *Conservation and Reclamation Regulation*, as amended from time to time, no person shall commence or continue an activity at a pit unless the full amount of security for that pit has been provided to the Director, as authorized in writing by the Director."

WHEREAS section 4.1.1 of the *Code of Practice for Pits* states "no person shall conduct any activity at a pit except in accordance with the most recent Activities Plan.";

WHEREAS section 6.1.1 of the *Code of Practice for Pits* states "in addition to any other reporting required pursuant to this Code of Practice, the Act or the regulations under the Act, any person carrying out an activity at a pit shall immediately report any contravention of this Code of Practice to: (a) the registration holder; and (b) the Director: (i) by telephone at (780) 422-4505, or (ii) by a method:(A) in compliance with the release reporting provisions of the Act and the regulations; or(B) authorized in writing by the Director.";

- 3 -

WHEREAS on February 12, 2021, AEP issued a Notice of Non Compliance (“NONC”) to JMB stating that AEP had identified non-compliances under the *Code of Practice for Pits* on pits registered to JMB located on private land, including the Havener Pit;

WHEREAS the NONC also stated that, by February 18, 2021, JMB was to provide:

- an assessment of the pits against the terms and conditions of the Registration and the *Code of Practice for Pits*, and
- a plan to bring each pit into compliance with the Registration and the *Code of Practice for Pits*;

WHEREAS JMB requested two extensions to the deadline to provide the information requested in the NONC, which AEP granted;

WHEREAS on February 24, 2021, JMB provided AEP with its response to the NONC, which stated that JMB’s intentions with respect to the Havener Pit were as follows:

- to submit an updated Activities Plan by May 31, 2021;
- to post a security bond as a part of the closing of the CCAA court proceedings upon acceptance of the updated activities plan; and
- implement reclamation within three years of the updated activities plan approval;

WHEREAS on February 22, 2021 the EPO had a conversation with the landowner, Lynn Havener, who indicated that:

- JMB last operated the Havener Pit on or about summer 2018; and
- JMB breached a contract with Lynn Havener regarding Havener Pit in 2017 and 2018 and still owe payment of royalties to her;

WHEREAS section 137 of the *Environmental Protection and Enhancement Act* states that an operator must conserve and reclaim specified land and unless exempted by the regulation, obtain a reclamation certificate in respect of the conservation and reclamation;

WHEREAS JMB is an ‘operator’ under section 134(b)(ii) of the *Environmental Protection and Enhancement Act*;

WHEREAS the Havener Pit is a “pit” as defined in the *Activities Designation Regulation* section 3(3)(d), for the purposes of Division 3 of Schedule 2;

WHEREAS the surface land disturbance in the Havener Pit is “specified lands” as defined by the *Conservation and Reclamation Regulation* section 1(t)(v);

WHEREAS the Parties are operators as defined in section 134(b)(i) of *EPEA*, i.e. an approval or registration holder who carries on or has carried on an activity on or in respect of specified land pursuant to an approval or registration, and section 34(b) vii), i.e. a person who acts as principal or agent of a person referred to in any of subclauses (i) to (vi);

WHEREAS section 3.1 of the *Conservation and Reclamation Regulation* states that the *Code of Practice for Pits*, as published by AEP, is adopted and forms part of that regulation and

- 4 -

requires that a person carrying on an activity referred to in Column A of the Schedule must comply with the corresponding Code of Practice in Column B of the Schedule in carrying on that activity;

WHEREAS the Schedule of the *Conservation and Reclamation Regulation* states that the construction, operation or reclamation of a pit that is listed in Schedule 2, Division 3 of the *Activities Designation Regulation* must comply with the *Code of Practice for Pits*;

WHEREAS April Franks, EPO North Region (the "Inspector") has been designated as an Inspector for the purposes of issuing environmental protection orders under section 140 the *Environmental Protection and Enhancement Act*;

WHEREAS the Inspector is of the opinion that the suspension of the operation in the Havener Pit and directing the performance of work is necessary in order to conserve and reclaim the Havener Pit;

WHEREAS the Inspector is of the opinion that the surface land disturbance meets the criteria of "specified lands" defined by the *Conservation and Reclamation Regulation* section 1(t)(v);

THEREFORE, I April Franks, Inspector, North Region, pursuant to section 140 of the *Environmental Protection and Enhancement Act*, DO HEREBY ORDER:

1. The Parties shall immediately suspend any and all work at the Havener Pit, and shall not remove any stockpiled materials.
2. By April 13, 2021, the Parties shall submit to the Inspector for the Inspector's approval, the name and qualifications of a consultant who carries a professional designation authorized to practice reclamation on private land, which the Parties will retain to prepare and sign the below noted reclamation and remedial plan.
3. By May 20, 2021, the Parties shall submit to the Inspector for the Inspector's review and approval a written reclamation and remedial plan ("Plan").
4. The Parties shall include at minimum include all of the following in the Plan:
 - a. Particulars of the characteristics and properties of the land including topography, drainage, soils, vegetation and land capability.
 - b. A historical synopsis of the surface, subsurface and groundwater disturbance.
 - c. A description of the adjacent land uses.
 - d. An accounting of what volume of marketable aggregate is left within the Havener pit and its value.
 - e. A description of the reclamation work including the type of equipment, methods and materials that will be used in implementing the Plan.

- 5 -

- f. A description of the proposed reclaimed land use that includes elevations, soil replacement and re-vegetation.
- g. A description of how ground water infiltrating open excavations will be addressed and justification for any surface and water related improvements to be left in place.
- h. A proposed Schedule of Implementation that shall have October 29, 2022 as the completion date.
- i. A 6 month monitoring and maintenance program commencing October 29, 2022.

5. Upon approval of the Plan by the Inspector, the Parties shall conduct the work described in the approved Plan, according to the approved schedule of implementation, unless otherwise authorized in writing by the Inspector.

6. The Parties shall submit progress updates to the Inspector on July 30, 2021, November 30, 2021, March 31, 2022, and July 29, 2022 that include a detailed summary of all reclamation activities undertaken at Havener Pit;

7. Within 14 days of the completion of the requirements of this Order, the Parties shall submit to the Inspector a final written report prepared and signed by the consultant describing the work undertaken to comply with this Order.

DATED at the City of Spruce Grove in the Province of Alberta, this Thursday on the 11th day of March, 2021.



April Franks,
Inspector,
Environmental Protection Officer,
North Region

- 6 -

Section 91 of the *Environmental Protection and Enhancement Act* may provide a right of appeal against this decision to the Alberta Environmental Appeals Board. There may be a strict time limit for filing such an appeal. A copy of section 91 is enclosed. For further information, please contact the Board Secretary at #306 Peace Hills Trust Tower, 10011 - 109 Street, Edmonton, Alberta, T5J 3S8; telephone (780) 427-6207; fax (780) 427-4693.

Notwithstanding the above requirements, the Party shall obtain all necessary approvals in complying with this order.

Take notice that this environmental protection order is a remedial tool only, and in no way precludes any enforcement proceedings being taken regarding this matter under this Act or any other legislation.

Further, contravention of the Environmental Protection Order may lead to additional enforcement proceedings, up to and including prosecution.

This is Exhibit "L" referred to in the
Affidavit of Maxwell Harrison
Sworn before me this 29th day of March, 2021



A Commissioner for Oaths in and for Alberta

Vivienne M. Ball
Barrister & Solicitor
Alberta Justice and Solicitor General



**Regulatory Assurance
North Region - Capital**
PO Box 4240 (T7X 3B4)
Suite #1, 250 Diamond Avenue
Spruce Grove AB T7X 4C7
Telephone: 780-960-8600

ENVIRONMENTAL PROTECTION AND ENHANCEMENT ACT

BEING RSA 2000, c. E-12 (the "Act")

ENVIRONMENTAL PROTECTION ORDER EPO-EPEA-35659-05

JMB Crushing Systems Inc.
Suite 2300, Bentall 5 550, Burrard Street
Vancouver BC
V6C 2B5,
Canada

Byron Levkulich, Director
JMB Crushing Systems Inc.
1400 16th Street, Suite 320
Denver CO 80202
United States

Aaron Patsch, Director
JMB Crushing Systems Inc.
1400 16th Street, Suite 320
Denver CO 80202
United States

Jeffrey Buck, former Director
JMB Crushing Systems Inc.
3439 Keswick Boulevard SW
Edmonton, AB
T6W 3B2

Collectively referred to as the "Parties"

WHEREAS JMB Crushing Systems Inc. ("JMB") operates a pit under Registration No. 15048-00-00 located at NE 24-056-07-W4M (Buksa Pit) in the County of St. Paul No. 19;

WHEREAS Byron Levkulich and Aaron Patsch are Directors of JMB and Jeffrey Buck is a former Director of JMB ("Parties");

WHEREAS 302016 Alberta Ltd. owns the land on which Buksa Pit is location;

WHEREAS Harvey Buksa is a Director of 302016 Alberta Ltd.;

WHEREAS section 2.1.1 of the *Code of Practice for Pits* states any person who carries out an activity at a pit must do so in accordance with this Code of Practice;

- 2 -

WHEREAS an "activity at a pit" is defined in the *Code of Practice for Pits* to mean the construction, operation or reclamation of a pit;

WHEREAS on October 20, 2020 Alberta Environment and Parks ("AEP") sent an email to JMB stating that the Buska Pit security Bond No. BND0015360 in the amount of \$50,442.14 expires December 12, 2020.

WHEREAS on May 1, 2020, JMB obtained an initial order from the Court under the *Companies Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;

WHEREAS on November 18, 2020, AEP sent a letter to JMB indicating they failed to replace financial security instruments on 7 pits that were registered to JMB and are located on private land, including the Buksa Pit;

WHEREAS on January 26, 2021, April Franks, an Environmental Protection Officer ("EPO") and a designated Inspector under the *Environmental Protection and Enhancement Act* RSA 2000, c E-12 (the "Inspector"), conducted a review of the Buksa Pit Activities Plan and 2019 satellite imagery of the area and determined that JMB contravened the *Code of Practice for Pits* by:

- failing to restore the required security as required under section 3.2.2 of the *Code of Practice for Pits*;
- failing to follow the Activities Plan mining sequence including not conducting reclamation as required under section 4.1.1 of the *Code of Practice for Pits*;
- failing to comply to the boundary approved in the Registration as required under section 4.1.1 of the *Code of Practice for Pits*;
- failing to report regulatory non-compliances to the Director as required under section 6.1.1 of the *Code of Practice for Pits*;

WHEREAS section 3.2.2 of the *Code of Practice for Pits* states "unless exempted by the Act or the *Conservation and Reclamation Regulation*, as amended from time to time, no person shall commence or continue an activity at a pit unless the full amount of security for that pit has been provided to the Director, as authorized in writing by the Director."

WHEREAS section 4.1.1 of the *Code of Practice for Pits* states "no person shall conduct any activity at a pit except in accordance with the most recent Activities Plan.";

WHEREAS section 6.1.1 of the *Code of Practice for Pits* states "in addition to any other reporting required pursuant to this Code of Practice, the Act or the regulations under the Act, any person carrying out an activity at a pit shall immediately report any contravention of this Code of Practice to: (a) the registration holder; and (b) the Director: (i) by telephone at (780) 422-4505, or (ii) by a method:(A) in compliance with the release reporting provisions of the Act and the regulations; or(B) authorized in writing by the Director.";

WHEREAS on February 12, 2021, AEP issued a Notice of Non Compliance ("NONC") to JMB stating that AEP had identified non-compliances under the *Code of Practice for Pits* on pits registered to JMB located on private land, including the Buksa Pit;

WHEREAS the NONC also stated that, by February 18, 2021, JMB was to provide:

- 3 -

- an assessment of the pits against the terms and conditions of the Registration and the *Code of Practice for Pits*, and
- a plan to bring each pit into compliance with the Registration and the *Code of Practice for Pits*;

WHEREAS JMB requested two extensions to the deadline to provide the information requested in the NONC, which AEP granted;

WHEREAS on February 24, 2021, JMB provided AEP with its response to the NONC, which stated that JMB's intentions with respect to the Buska Pit were as follows:

- to post a security bond as a part of the closing of the CCAA court proceedings upon acceptance of the updated activities plan, and

WHEREAS on February 23, 2021, the EPO had a conversation with the landowner, Harvey Buksa, who indicated that:

- JMB last operated Buksa Pit on or about summer 2018; and
- JMB has not communicated its intentions to reclaim or operate Buksa Pit;

WHEREAS section 137 of the *Environmental Protection and Enhancement Act* states that an operator must conserve and reclaim specified land and unless exempted by the regulation, obtain a reclamation certificate in respect of the conservation and reclamation;

WHEREAS JMB is an 'operator' under section 134(b)(ii) of the *Environmental Protection and Enhancement Act*;

WHEREAS the Buksa Pit is a "pit" as defined in the *Activities Designation Regulation* section 3(3)(d), for the purposes of Division 3 of Schedule 2;

WHEREAS the surface land disturbance in the Buksa Pit is "specified lands" as defined by the *Conservation and Reclamation Regulation* section 1(t)(v);

WHEREAS the Parties are operators as defined in section 134(b)(i) of *EPEA*, i.e. an approval or registration holder who carries on or has carried on an activity on or in respect of specified land pursuant to an approval or registration, and section 34(b) vii), i.e. a person who acts as principal or agent of a person referred to in any of subclauses (i) to (vi);

WHEREAS section 3.1 of the *Conservation and Reclamation Regulation* states that the *Code of Practice for Pits*, as published by AEP, is adopted and forms part of that regulation and requires that a person carrying on an activity referred to in Column A of the Schedule must comply with the corresponding Code of Practice in Column B of the Schedule in carrying on that activity;

WHEREAS the Schedule of the *Conservation and Reclamation Regulation* states that the construction, operation or reclamation of a pit that is listed in Schedule 2, Division 3 of the *Activities Designation Regulation* must comply with the *Code of Practice for Pits*;

WHEREAS EPO April Franks, North Region (the "Inspector") has been designated as an

- 4 -

Inspector for the purposes of issuing environmental protection orders under section 140 the *Environmental Protection and Enhancement Act*;

WHEREAS the Inspector is of the opinion that the suspension of the operation in the Buksa Pit and directing the performance of work is necessary in order to conserve and reclaim the Buksa Pit;

WHEREAS the Inspector is of the opinion that the surface land disturbance meets the criteria of "specified lands" defined by the *Conservation and Reclamation Regulation* section 1(t)(v)

THEREFORE, I April Franks, Inspector, North Region, pursuant to section 140 of the *Environmental Protection and Enhancement Act*, DO HEREBY ORDER:

1. The Parties shall immediately suspend any and all work at the Buksa Pit, and shall not remove any stockpiled materials.
2. By April 13, 2021, the Parties shall submit to the Inspector for the Inspector's approval, the name and qualifications of a consultant who carries a professional designation authorized to practice reclamation on private land, which the Parties will retain to prepare and sign the below noted reclamation and remedial plan.
3. By May 20, 2021, the Parties shall submit to the Inspector for the Inspector's review and approval a written reclamation and remedial plan ("Plan").
4. The Parties shall include at minimum include all of the following in the Plan:
 - a. Particulars of the characteristics and properties of the land including topography, drainage, soils, vegetation and land capability.
 - b. A historical synopsis of the surface, subsurface and groundwater disturbance.
 - c. A description of the adjacent land uses.
 - d. An accounting of what volume of marketable aggregate is left within the Buksa Pit and its value.
 - e. A description of the reclamation work including the type of equipment, methods and materials that will be used in implementing the Plan.
 - f. A description of the proposed reclaimed land use that includes elevations, soil replacement and re-vegetation.
 - g. A description of how ground water infiltrating open excavations will be addressed and justification for any surface and water related improvements to be left in place.
 - h. A proposed Schedule of Implementation that shall have October 29, 2022 as the completion date.

- 5 -

i. A 6 month monitoring and maintenance program commencing October 29, 2022.

5. Upon approval of the Plan by the Inspector, the Parties shall conduct the work described in the approved Plan, according to the approved schedule of implementation, unless otherwise authorized in writing by the Inspector.

6. The Parties shall submit progress updates to the Inspector on July 30, 2021, November 30, 2021, March 31, 2022, and July 29, 2022 that include a detailed summary of all reclamation activities undertaken at Buksa Pit;

7. Within 14 days of the completion of the requirements of this Order, the Parties shall submit to the Inspector a final written report prepared and signed by the consultant describing the work undertaken to comply with this Order.

DATED at the City of Spruce Grove in the Province of Alberta, this Thursday on 11th day of March, 2021.



April Franks,
Inspector,
Environmental Protection Officer,
North Region

- 6 -

Section 91 of the *Environmental Protection and Enhancement Act* may provide a right of appeal against this decision to the Alberta Environmental Appeals Board. There may be a strict time limit for filing such an appeal. A copy of section 91 is enclosed. For further information, please contact the Board Secretary at #306 Peace Hills Trust Tower, 10011 - 109 Street, Edmonton, Alberta, T5J 3S8; telephone (780) 427-6207; fax (780) 427-4693.

Notwithstanding the above requirements, the Party shall obtain all necessary approvals in complying with this order.

Take notice that this environmental protection order is a remedial tool only, and in no way precludes any enforcement proceedings being taken regarding this matter under this Act or any other legislation.

Further, contravention of the Environmental Protection Order may lead to additional enforcement proceedings, up to and including prosecution.

This is Exhibit "M" referred to in the
Affidavit of Maxwell Harrison
Sworn before me this 29th day of March, 2021



A Commissioner for Oaths in and for Alberta

Vivienne M. Ball
Barrister & Solicitor
Alberta Justice and Solicitor General



**Regulatory Assurance
North Region - Capital**
PO Box 4240 (T7X 3B4)
Suite #1, 250 Diamond Avenue
Spruce Grove AB T7X 4C7
Telephone: 780-960-8600

ENVIRONMENTAL PROTECTION AND ENHANCEMENT ACT

BEING RSA 2000, c. E-12 (the "Act")

ENVIRONMENTAL PROTECTION ORDER EPO-EPEA-35659-03

JMB Crushing Systems Inc.
Suite 2300, Bentall 5 550, Burrard Street
Vancouver BC
V6C 2B5,
Canada

Byron Levkulich, Director
JMB Crushing Systems Inc.
1400 16th Street, Suite 320
Denver CO 80202
United States

Aaron Patsch, Director
JMB Crushing Systems Inc.
1400 16th Street, Suite 320
Denver CO 80202
United States

Jeffrey Buck, former Director
JMB Crushing Systems Inc.
3439 Keswick Boulevard SW
Edmonton, AB
T6W 3B2

Collectively referred to as the "Parties"

WHEREAS JMB Crushing Systems Inc. ("JMB") operates a pit under Registration No. 306490-00-00 located on NW 17, NE 18 and SE-19-063-09-W4M (Kucy Pit) in the MD of Bonnyville No.87 (the "Kucy Pit");

WHEREAS Byron Levkulich and Aaron Patsch are Directors of JMB and Jeffrey Buck is a former Director of JMB ("Parties");

WHEREAS Robert Niedzielski, Travis Kwiatkowski, John Kwiatkowski, Leo Kwiatkowski, Ron Kucy, and Rita Kucy own the land on which the Kucy Pit is located;

WHEREAS section 2.1.1 of the *Code of Practice for Pits* states any person who carries out an activity at a pit must do so in accordance with this Code of Practice;

- 2 -

WHEREAS an "activity at a pit" is defined in the *Code of Practice for Pits* to mean the construction, operation or reclamation of a pit;

WHEREAS on January 20, 2020, Alberta Environment and Parks ("AEP") sent an email to JMB stating that the Kucy Pit security Bond No. BND0015364 in the amount of \$31,872.25 is expiring March 9, 2020.

WHEREAS on May 1, 2020, JMB obtained an initial order from the Court under the *Companies Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;

WHEREAS on November 18, 2020, AEP sent a letter to JMB indicating it failed to replace financial security instruments on 7 pits that were registered to JMB and located on private land, including the Kucy Pit;

WHEREAS on January 26, 2021, April Franks, an Environmental Protection Officer ("EPO") and a designated Inspector under the *Environmental Protection and Enhancement Act* RSA 2000, c E-12 (the "Inspector"), conducted a review of the Kucy Pit Activities Plan and 2019 satellite imagery of the area and determined that JMB contravened the *Code of Practice for Pits* by:

- failing to restore the required financial security as required under section 3.2.2 of the *Code of Practice for Pits*;
- failing to follow the Activities Plan mining sequence including not conducting reclamation noted as required under section 4.1.1 of the *Code of Practice for Pits*;
- failing to comply to the boundary approved in the Registration as required under section 4.1.1 of the *Code of Practice for Pits*;
- failing to report regulatory non-compliances to the Director as required under section 6.1.1 of the *Code of Practice for Pits*;

WHEREAS reclamation of the disturbed land on Kucy Pit has not occurred to date;

WHEREAS section 3.2.2 of the *Code of Practice for Pits* states "unless exempted by the Act or the *Conservation and Reclamation Regulation*, as amended from time to time, no person shall commence or continue an activity at a pit unless the full amount of security for that pit has been provided to the Director, as authorized in writing by the Director."

WHEREAS section 4.1.1 of the *Code of Practice for Pits* states "no person shall conduct any activity at a pit except in accordance with the most recent Activities Plan.";

WHEREAS section 6.1.1 of the *Code of Practice for Pits* states "in addition to any other reporting required pursuant to this Code of Practice, the Act or the regulations under the Act, any person carrying out an activity at a pit shall immediately report any contravention of this Code of Practice to: (a) the registration holder; and (b) the Director: (i) by telephone at (780) 422-4505, or (ii) by a method:(A) in compliance with the release reporting provisions of the Act and the regulations; or(B) authorized in writing by the Director.";

WHEREAS on February 12, 2021, AEP issued a Notice of Non Compliance ("NONC") to JMB stating that AEP had identified non-compliances under the *Code of Practice for Pits* on pits registered to JMB located on private land, including the Kucy Pit;

- 3 -

WHEREAS the NONC also stated that, by February 18, 2021, JMB was to provide:

- an assessment of the pits against the terms and conditions of the Registration and the *Code of Practice for Pits*, and
- a plan to bring each pit into compliance with the Registration and the *Code of Practice for Pits*;

WHEREAS JMB requested two extensions to the deadline to provide information requested in the NONC, which AEP granted;

WHEREAS on February 24, 2021, JMB provided AEP with its response to the NONC, which stated that JMB's intentions with respect to the Kucy Pit were as follows:

- to submit an updated Activities Plan by March 31, 2021 for the purpose of reclamation,
- Submit a Water Act application in 2021 based on consultation with AEP
- to post a security bond as a part of the closing of the CCAA court proceedings upon acceptance of the updated activities plan, and
- implement reclamation within three years of the updated activities plan approval;

WHEREAS on February 23, 2021, the EPO had a conversation with the landowner, Ron Kucy, who indicated that:

- JMB last operated the Kucy Pit on or about summer 2018
- JMB does not plan to mine additional gravel at Kucy Pit and Ron Kucy is concerned the land will not be reclaimed

WHEREAS on March 2, 2021, the EPO had a conversation with the landowner, John Kwaitkowski, who indicated that:

- JMB last operated the Kucy Pit on or about summer 2018
- JMB signed a royalty contract with John Kwaitkowski in 2012 and shortly after it hauled gravel off site without payment to the landowner;
- JMB does not plan to mine any additional gravel at Kucy Pit and John Kwaitkowski is concerned the land will not be reclaimed;

WHEREAS section 137 of the *Environmental Protection and Enhancement Act* states that an operator must conserve and reclaim specified land and unless exempted by the regulation, obtain a reclamation certificate in respect of the conservation and reclamation;

WHEREAS JMB is an 'operator' under section 134(b)(ii) of the *Environmental Protection and Enhancement Act*;

WHEREAS the Kucy Pit is a "pit" as defined in the *Activities Designation Regulation* section 3(3)(d), for the purposes of Division 3 of Schedule 2;

WHEREAS the surface land disturbance in the Kucy Pit is "specified lands" as defined by the *Conservation and Reclamation Regulation* section 1(t)(v);

- 4 -

WHEREAS the Parties are operators as defined in section 134(b)(i) of *EPEA*, i.e. an approval or registration holder who carries on or has carried on an activity on or in respect of specified land pursuant to an approval or registration, and section 34(b) vii), i.e. a person who acts as principal or agent of a person referred to in any of subclauses (i) to (vi);

WHEREAS section 3.1 of the *Conservation and Reclamation Regulation* states that the *Code of Practice for Pits*, as published by AEP, is adopted and forms part of that regulation and requires that a person carrying on an activity referred to in Column A of the Schedule must comply with the corresponding Code of Practice in Column B of the Schedule in carrying on that activity;

WHEREAS the Schedule of the *Conservation and Reclamation Regulation* states that the construction, operation or reclamation of a pit that is listed in Schedule 2, Division 3 of the *Activities Designation Regulation* must comply with the *Code of Practice for Pits*;

WHEREAS EPO, April Franks, North Region (the "Inspector") has been designated as an Inspector for the purposes of issuing environmental protection orders under section 140 the *Environmental Protection and Enhancement Act*;

WHEREAS the Inspector is of the opinion that the suspension of the operation in the Kucy Pit and directing the performance of work is necessary in order to conserve and reclaim the Kucy Pit;

WHEREAS the Inspector is of the opinion that the surface land disturbance meets the criteria of "specified lands" defined by the *Conservation and Reclamation Regulation* section 1(t)(v)

THEREFORE, I April Franks, Inspector, North Region, pursuant to section 140 of the *Environmental Protection and Enhancement Act*, DO HEREBY ORDER:

1. The Parties shall immediately suspend any and all work at the Kucy Pit, and shall not remove any stockpiled materials.
2. By April 13, 2021 the Parties shall submit to the Inspector for the Inspector's approval, the name and qualifications of a consultant who carries a professional designation authorized to practice reclamation on private land, which the Parties will retain to prepare and sign the below noted reclamation and remedial plan.
3. By May 20, 2021, the Parties shall submit to the Inspector for the Inspector's review and approval a written reclamation and remedial plan ("Plan").
4. The Parties shall include at minimum include all of the following in the Plan:
 - a. Particulars of the characteristics and properties of the land including topography, drainage, soils, vegetation and land capability.
 - b. A historical synopsis of the surface, subsurface and groundwater disturbance.

- 5 -

- c. A description of the adjacent land uses.
 - d. An accounting of what volume of marketable aggregate is left within the Kucy Pit and its value.
 - e. A description of the reclamation work including the type of equipment, methods and materials that will be used in implementing the Plan.
 - f. A description of the proposed reclaimed land use that includes elevations, soil replacement and re-vegetation.
 - g. A description of how ground water infiltrating open excavations will be addressed and justification for any surface and water related improvements to be left in place.
 - h. A proposed Schedule of Implementation that shall have October 29, 2022 as the completion date.
 - i. A 6 month monitoring and maintenance program commencing October 29, 2022.
5. Upon approval of the Plan by the Inspector, the Parties shall conduct the work described in the approved Plan, according to the approved schedule of implementation, unless otherwise authorized in writing by the Inspector.
6. The Parties shall submit progress updates to the Inspector on July 30, 2021, November 30, 2021, March 31, 2022, and July 29, 2022 that include a detailed summary of all reclamation activities undertaken at Kucy Pit;
7. Within 14 days of the completion of the requirements of this Order, the Parties shall submit to the Inspector a final written report prepared and signed by the consultant describing the work undertaken to comply with this Order.

DATED at the City of Spruce Grove in the Province of Alberta, this Thursday on the 11th day of March, 2021.



April Franks,
Inspector,
Environmental Protection Officer,
North Region

- 6 -

Section 91 of the *Environmental Protection and Enhancement Act* may provide a right of appeal against this decision to the Alberta Environmental Appeals Board. There may be a strict time limit for filing such an appeal. A copy of section 91 is enclosed. For further information, please contact the Board Secretary at #306 Peace Hills Trust Tower, 10011 - 109 Street, Edmonton, Alberta, T5J 3S8; telephone (780) 427-6207; fax (780) 427-4693.

Notwithstanding the above requirements, the Party shall obtain all necessary approvals in complying with this order.

Take notice that this environmental protection order is a remedial tool only, and in no way precludes any enforcement proceedings being taken regarding this matter under this Act or any other legislation.

Further, contravention of the Environmental Protection Order may lead to additional enforcement proceedings, up to and including prosecution.

This is Exhibit "N" referred to in the
Affidavit of Maxwell Harrison
Sworn before me this 29th day of March, 2021



A Commissioner for Oaths in and for Alberta

Vivienne M. Ball
Barrister & Solicitor
Alberta Justice and Solicitor General



**Regulatory Assurance
Capital Region**
PO Box 4240 (T7X 3B4)
250 Diamond Avenue
Spruce Grove AB T7X 4C7
Telephone: 780-960-8600

ENVIRONMENTAL PROTECTION AND ENHANCEMENT ACT

BEING RSA 2000, c. E-12 (the "Act")

ENVIRONMENTAL PROTECTION ORDER EPO-EPEA-35659-01

JMB Crushing Systems Inc.
Suite 2300, Bentall 5 550, Burrard Street
Vancouver BC
V6C 2B5,
Canada

Byron Levkulich, Director
JMB Crushing Systems Inc.
1400 16th Street, Suite 320
Denver CO 80202
United States

Aaron Patsch, Director
JMB Crushing Systems Inc.
1400 16th Street, Suite 320
Denver CO 80202
United States

Jeffrey Buck, former Director
JMB Crushing Systems Inc.
3439 Keswick Boulevard SW
Edmonton, AB
T6W 3B2

Collectively referred to as the "Parties"

WHEREAS JMB Crushing Systems Inc. ("JMB") operates a pit under Registration No. 293051-00-00 located on SE-34-056-07-W4M in the County of St. Paul No.19 (the "MacDonald Pit");

WHEREAS Byron Levkulich and Aaron Patsch are Directors of JMB and Jeffrey Buck is a former Director of JMB ("Parties");

WHEREAS Allan MacDonald owns the land on which the MacDonald Pit is located;

WHEREAS section 2.1.1 of the *Code of Practice for Pits* states "any person who carries out an activity at a pit must do so in accordance with this Code of Practice";

WHEREAS an "activity at a pit" is defined in the *Code of Practice for Pits* to mean the construction, operation or reclamation of a pit;

- 2 -

WHEREAS on January 20, 2020, Alberta Environment and Parks (“AEP”) sent an email to JMB stating that the MacDonald Pit security Bond No. BND0015363, in the amount of \$16,695.00, was expiring on March 9, 2020 and AEP had previously on December 3, 2019 requested JMB to provide additional security in the amount of \$60,905.51 for a new total of \$77,600.51;

WHEREAS on May 1, 2020, JMB obtained an initial order from the Court under the *Companies Creditors Arrangement Act* (“CCAA”), R.S.C. 1985, c. C-36, as amended;

WHEREAS on May 22, 2020, JMB withdrew its application submitted to AEP on April 25, 2018 to update the Activities Plan for the MacDonald Pit;

WHEREAS on November 18, 2020, AEP sent a letter to JMB indicating they failed to replace security instruments on 7 pits that were registered to JMB and located on private land, including the MacDonald Pit;

WHEREAS on January 26, 2021, April Franks, an Environmental Protection Officer (“EPO”) and Inspector under the *Environmental Protection and Enhancement Act* RSA 2000, c E-12 (the “Inspector”), conducted a review of the MacDonald Pit Activities Plan and 2019 satellite imagery of the area and determined that JMB contravened the *Code of Practice for Pits* by:

- failing to restore the required security as required under section 3.2.2 of the *Code of Practice for Pits*;
- failing to follow the Activities Plan mining sequence including not conducting reclamation noted as required under section 4.1.1 of the *Code of Practice for Pits*;
- failing to comply to the boundary approved in the Registration as required under section 4.1.1 of the *Code of Practice for Pits*;
- failing to report non-compliance issues to the Director as required under section 6.1.1 of the *Code of Practice for Pits*;

WHEREAS reclamation of the disturbed land on MacDonald Pit has not occurred to date;

WHEREAS section 3.2.2 of the *Code of Practice for Pits* states “unless exempted by the Act or the *Conservation and Reclamation Regulation*, as amended from time to time, no person shall commence or continue an activity at a pit unless the full amount of security for that pit has been provided to the Director, as authorized in writing by the Director.”

WHEREAS section 4.1.1 of the *Code of Practice for Pits* states “no person shall conduct any activity at a pit except in accordance with the most recent Activities Plan.”;

WHEREAS section 6.1.1 of the *Code of Practice for Pits* states “in addition to any other reporting required pursuant to this Code of Practice, the Act or the regulations under the Act, any person carrying out an activity at a pit shall immediately report any contravention of this Code of Practice to: (a) the registration holder; and (b) the Director: (i) by telephone at (780) 422-4505, or (ii) by a method:(A) in compliance with the release reporting provisions of the Act and the regulations; or(B) authorized in writing by the Director.”;

WHEREAS on February 12, 2021, AEP issued a Notice of Non Compliance (“NONC”) to JMB

- 3 -

stating that AEP had identified issues of non-compliance under the *Code of Practice for Pits* for pits registered to JMB located on private land, including the MacDonald Pit;

WHEREAS the NONC also stated that, by February 18, 2021, JMB was to provide:

- an assessment of the pits against the terms and conditions of the Registration and the *Code of Practice for Pits*, and
- a plan to bring each pit into compliance with the Registration and the *Code of Practice for Pits*;

WHEREAS JMB requested two extension requests that AEP granted to provide the information requested in the NONC;

WHEREAS on February 24, 2021, JMB provided AEP with its response to the NONC, which stated that JMB's intentions with respect to the MacDonald Pit were as follows:

- to submit an updated Activities Plan by March 31, 2021 for the purpose of reclamation,
- to post a security bond as a part of the closing of the CCAA court proceedings upon acceptance of the updated activities plan, and
- implement reclamation within three years of the updated activities plan approval;

WHEREAS on February 24, 2021, the EPO had a conversation with the landowner, Allan MacDonald, who indicated that:

- JMB last operated the MacDonald Pit on or about summer 2019, at which time they hauled approximately 10,000 tonnes of gravel off site without payment to the landowner, and
- JMB breached a number of agreements with Allan MacDonald including payment of royalties and completion of reclamation by December 31, 2020;

WHEREAS section 137 of the *Environmental Protection and Enhancement Act* states that an operator must conserve and reclaim specified land and unless exempted by the regulation, obtain a reclamation certificate in respect of the conservation and reclamation;

WHEREAS the MacDonald Pit is a "pit" as defined in the *Activities Designation Regulation* section 3(3)(d), for the purposes of Division 3 of Schedule 2;

WHEREAS the surface land disturbance in the MacDonald Pit is "specified lands" as defined by the *Conservation and Reclamation Regulation* section 1(t)(v);

WHEREAS the Parties are operators as defined in section 134(b)(i) of *EPEA*, i.e. an approval or registration holder who carries on or has carried on an activity on or in respect of specified land pursuant to an approval or registration, and section 34(b) vii), i.e. a person who acts as principal or agent of a person referred to in any of subclauses (i) to (vi);

WHEREAS section 3.1 of the *Conservation and Reclamation Regulation* states that the *Code of Practice for Pits*, as published by AEP, is adopted and forms part of that regulation and requires that a person carrying on an activity referred to in Column A of the Schedule must

- 4 -

comply with the corresponding Code of Practice in Column B of the Schedule in carrying on that activity;

WHEREAS the Schedule of the *Conservation and Reclamation Regulation* states that the construction, operation or reclamation of a pit that is listed in Schedule 2, Division 3 of the *Activities Designation Regulation* must comply with the *Code of Practice for Pits*;

WHEREAS April Franks, EPO North Region (the "Inspector") has been designated as an Inspector for the purposes of issuing environmental protection orders under section 140 the *Environmental Protection and Enhancement Act*;

WHEREAS the Inspector is of the opinion that the suspension of the operation in the MacDonald Pit and directing the performance of work is necessary in order to conserve and reclaim the MacDonald Pit;

THEREFORE, I April Franks, Inspector, North Region, pursuant to section 140 of the *Environmental Protection and Enhancement Act*, DO HEREBY ORDER:

1. The Parties shall immediately suspend any and all work at the MacDonald Pit, and shall not remove any stockpiled materials.
2. By March 13, 2021, the Parties shall submit to the Inspector for the Inspector's approval, the name and qualifications of a consultant who carries a professional designation authorized to practice reclamation on private land, which the Parties will retain to prepare and sign the below noted reclamation and remedial plan.
3. By March 20, 2021, the Parties shall submit to the Inspector for the Inspector's review and approval a written reclamation and remedial plan ("Plan").
4. The Parties shall include at minimum include all of the following in the Plan:
 - a. Particulars of the characteristics and properties of the land including topography, drainage, soils, vegetation and land capability.
 - b. A historical synopsis of the surface, subsurface and groundwater disturbance.
 - c. A description of the adjacent land uses.
 - d. An accounting of what volume of marketable aggregate is left within the MacDonald pit and its value.
 - e. A description of the reclamation work including the type of equipment, methods and materials that will be used in implementing the Plan.
 - f. A description of the proposed reclaimed land use that includes elevations, soil replacement and re-vegetation.
 - g. A description of how ground water infiltrating open excavations will be addressed and justification for any surface and water related improvements to be left in place.

- 5 -

h. A proposed Schedule of Implementation that shall have September 20, 2022 as the completion date.

i. A 6 month monitoring and maintenance program commencing September 20, 2022.

5. Upon approval of the Plan by the Inspector, the Parties shall conduct the work described in the approved Plan, according to the approved schedule of implementation, unless otherwise authorized in writing by the Inspector.

6. The Parties shall submit progress updates to the Inspector on July 30, 2021, November 30, 2021, March 31, 2022, and July 29, 2022 that include a detailed summary of all reclamation activities undertaken at MacDonald Pit;

7. Within 14 days of the completion of the requirements of this Order, the Parties shall submit to the Inspector a final written report prepared and signed by the consultant describing the work undertaken to comply with this Order.

DATED at the City of Spruce Grove in the Province of Alberta, this Tuesday on the 2nd day of March, 2021.



April Franks,
Inspector,
Environmental Protection Officer,
North Region

- 6 -

Section 91 of the *Environmental Protection and Enhancement Act* may provide a right of appeal against this decision to the Alberta Environmental Appeals Board. There may be a strict time limit for filing such an appeal. A copy of section 91 is enclosed. For further information, please contact the Board Secretary at #306 Peace Hills Trust Tower, 10011 - 109 Street, Edmonton, Alberta, T5J 3S8; telephone (780) 427-6207; fax (780) 427-4693.

Notwithstanding the above requirements, the Party shall obtain all necessary approvals in complying with this order.

Take notice that this environmental protection order is a remedial tool only, and in no way precludes any enforcement proceedings being taken regarding this matter under this Act or any other legislation.

Further, contravention of the Environmental Protection Order may lead to additional enforcement proceedings, up to and including prosecution.

This is Exhibit "O" referred to in the
Affidavit of Maxwell Harrison
Sworn before me this 29th day of March, 2021



A Commissioner for Oaths in and for Alberta

Vivienne M. Ball
Barrister & Solicitor
Alberta Justice and Solicitor General



**Regulatory Assurance
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PO Box 4240 (T7X 3B4)
Suite #1, 250 Diamond Avenue
Spruce Grove AB T7X 4C7
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ENVIRONMENTAL PROTECTION AND ENHANCEMENT ACT

BEING RSA 2000, c. E-12 (the "Act")

ENVIRONMENTAL PROTECTION ORDER EPO-EPEA-35659-02

JMB Crushing Systems Inc.
Suite 2300, Bentall 5 550, Burrard Street
Vancouver BC
V6C 2B5,
Canada

Byron Levkulich, Director
JMB Crushing Systems Inc.
1400 16th Street, Suite 320
Denver CO 80202
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JMB Crushing Systems Inc.
1400 16th Street, Suite 320
Denver CO 80202
United States

Jeffrey Buck, former Director
JMB Crushing Systems Inc.
3439 Keswick Boulevard SW
Edmonton, AB
T6W 3B2

Collectively referred to as the "Parties"

WHEREAS JMB Crushing Systems Inc. ("JMB") operates a pit under Registration No. 149949-00-00 located at SE-35-058-16-W4M and SW 36-058-16-W4M (Megley Pit) in Lamont County (the "Megley Pit");

WHEREAS Byron Levkulich and Aaron Patsch are Directors of JMB and Jeffrey Buck is a former Director of JMB ("Parties");

WHEREAS Sharon Cook, Cheryl Megley, Douglas Megley, Bill Kryzanoski own the land on which the Megley Pit is located;

- 2 -

WHEREAS section 2.1.1 of the *Code of Practice for Pits* states any person who carries out an activity at a pit must do so in accordance with this Code of Practice;

WHEREAS an "activity at a pit" is defined in the *Code of Practice for Pits* to mean the construction, operation or reclamation of a pit;

WHEREAS on January 20, 2020 Alberta Environment and Parks ("AEP") sent an email to JMB stating that the Megley Pit security Bond No. BND0015359 expires March 9, 2020.

WHEREAS on November 18, 2020, AEP sent a letter to JMB indicating it failed to replace security instruments on 7 pits that were registered to JMB and located on private land, including the Megley Pit;

WHEREAS on January 26, 2021, April Franks, an Environmental Protection Officer ("EPO") and a designated Inspector under the *Environmental Protection and Enhancement Act* RSA 2000, c E-12 (the "Inspector"), conducted a review of the Megley Pit Activities Plan and 2019 satellite imagery of the area and determined that JMB contravened the *Code of Practice for Pits* by:

- failing to restore the required financial security as required under section 3.2.2 of the *Code of Practice for Pits*;
- failing to follow the Activities Plan mining sequence including not conducting reclamation as required under section 4.1.1 of the *Code of Practice for Pits*;
- failing to comply to the boundary approved in the Registration as required under section 4.1.1 of the *Code of Practice for Pits*;
- failing to report regulatory non-compliances to the Director as required under section 6.1.1 of the *Code of Practice for Pits*;

WHEREAS reclamation of the disturbed land on Megley Pit has not occurred to date;

WHEREAS section 3.2.2 of the *Code of Practice for Pits* states "unless exempted by the Act or the *Conservation and Reclamation Regulation*, as amended from time to time, no person shall commence or continue an activity at a pit unless the full amount of security for that pit has been provided to the Director, as authorized in writing by the Director."

WHEREAS section 4.1.1 of the *Code of Practice for Pits* states "no person shall conduct any activity at a pit except in accordance with the most recent Activities Plan.";

WHEREAS section 6.1.1 of the *Code of Practice for Pits* states "in addition to any other reporting required pursuant to this Code of Practice, the Act or the regulations under the Act, any person carrying out an activity at a pit shall immediately report any contravention of this Code of Practice to: (a) the registration holder; and (b) the Director: (i) by telephone at (780) 422-4505, or (ii) by a method:(A) in compliance with the release reporting provisions of the Act and the regulations; or(B) authorized in writing by the Director.";

WHEREAS on February 12, 2021, AEP issued a Notice of Non Compliance ("NONC") to JMB stating that AEP had identified non-compliances under the *Code of Practice for Pits* on pits registered to JMB located on private land, including the Megley Pit;

WHEREAS the NONC also stated that, by February 18, 2021, JMB was to provide:

- 3 -

- an assessment of the pits against the terms and conditions of the Registration and the *Code of Practice for Pits*, and
- a plan to bring each pit into compliance with the Registration and the *Code of Practice for Pits*;

WHEREAS JMB requested two extensions to the deadline to provide the information requested in the NONC, which AEP granted;

WHEREAS on February 24, 2021, JMB provided AEP with its response to the NONC, which stated that JMB's intentions with respect to the Megley Pit were as follows:

- to submit an updated Activities Plan by March 31, 2021 for the purpose of reclamation,
- Submit a Water Act application in 2021 based on consultation with AEP
- to post a security bond as a part of the closing of the CCAA court proceedings upon acceptance of the updated activities plan, and
- implement reclamation within three years of the updated activities plan approval;

WHEREAS on February 18, 2020 EPO had a conversation with the landowner, Douglas Megley, who indicated that:

- JMB last operated the pit on or about winter 2019, at which time they crushed and hauled gravel offsite without payment to the landowner;
- JMB breached its contract held between with Douglas Megley which required payment of royalties to Douglas Megley and completion of reclamation at the pit;
- Douglas Megley is concerned that reclamation will not be completed on Megley Pit

WHEREAS section 137 of the *Environmental Protection and Enhancement Act* states that an operator must conserve and reclaim specified land and unless exempted by the regulation, obtain a reclamation certificate in respect of the conservation and reclamation;

WHEREAS JMB is an 'operator' under section 134(b)(ii) of the *Environmental Protection and Enhancement Act*;

WHEREAS the Megley Pit is a "pit" as defined in the *Activities Designation Regulation* section 3(3)(d), for the purposes of Division 3 of Schedule 2;

WHEREAS the surface land disturbance in the Megley Pit is "specified lands" as defined by the *Conservation and Reclamation Regulation* section 1(t)(v);

WHEREAS the Parties are operators as defined in section 134(b)(i) of *EPEA*, i.e. an approval or registration holder who carries on or has carried on an activity on or in respect of specified land pursuant to an approval or registration, and section 34(b) vii), i.e. a person who acts as principal or agent of a person referred to in any of subclauses (i) to (vi);

WHEREAS section 3.1 of the *Conservation and Reclamation Regulation* states that the *Code of Practice for Pits*, as published by AEP, is adopted and forms part of that regulation and requires that a person carrying on an activity referred to in Column A of the Schedule

- 4 -

must comply with the corresponding Code of Practice in Column B of the Schedule in carrying on that activity;

WHEREAS the Schedule of the *Conservation and Reclamation Regulation* states that the construction, operation or reclamation of a pit that is listed in Schedule 2, Division 3 of the *Activities Designation Regulation* must comply with the *Code of Practice for Pits*;

WHEREAS EPO April Franks, has been designated as an Inspector for the purposes of issuing environmental protection orders under section 140 the *Environmental Protection and Enhancement Act*;

WHEREAS the Inspector is of the opinion that the suspension of the operation in the Megley Pit and directing the performance of work is necessary in order to conserve and reclaim the Megley Pit;

WHEREAS the Inspector is of the opinion that the surface land disturbance meets the criteria of "specified lands" defined by the *Conservation and Reclamation Regulation* section 1(t)(v)

THEREFORE, I April Franks, Inspector, North Region, pursuant to section 140 of the *Environmental Protection and Enhancement Act*, DO HEREBY ORDER:

1. The Parties shall immediately suspend any and all work at the Megley Pit, and shall not remove any stockpiled materials.
2. By April 13, 2021, the Parties shall submit to the Inspector for the Inspector's approval, the name and qualifications of a consultant who carries a professional designation authorized to practice reclamation on private land, which the Parties will retain to prepare and sign the below noted reclamation and remedial plan.
3. By May 20, 2021, the Parties shall submit to the Inspector for the Inspector's review and approval a written reclamation and remedial plan ("Plan").
4. The Parties shall include at minimum include all of the following in the Plan:
 - a. Particulars of the characteristics and properties of the land including topography, drainage, soils, vegetation and land capability.
 - b. A historical synopsis of the surface, subsurface and groundwater disturbance.
 - c. A description of the adjacent land uses.
 - d. An accounting of what volume of marketable aggregate is left within the Megley pit and its value.
 - e. A description of the reclamation work including the type of equipment, methods and materials that will be used in implementing the Plan.
 - f. A description of the proposed reclaimed land use that includes elevations, soil replacement and re-vegetation.

- 5 -

- g. A description of how ground water infiltrating open excavations will be addressed and justification for any surface and water related improvements to be left in place.
 - h. A proposed Schedule of Implementation that shall have October 29, 2022 as the completion date.
 - i. A 6 month monitoring and maintenance program commencing October 29, 2022.
5. Upon approval of the Plan by the Inspector, the Parties shall conduct the work described in the approved Plan, according to the approved schedule of implementation, unless otherwise authorized in writing by the Inspector.
6. The Parties shall submit progress updates to the Inspector on July 30, 2021, November 30, 2021, March 31, 2022, and July 29, 2022 that include a detailed summary of all reclamation activities undertaken at Megley Pit;
7. Within 14 days of the completion of the requirements of this Order, the Parties shall submit to the Inspector a final written report prepared and signed by the consultant describing the work undertaken to comply with this Order.

DATED at the City of Spruce Grove in the Province of Alberta, this Thursday on the 11th day of March, 2021.



April Franks,
Inspector,
Environmental Protection Officer,
North Region

- 6 -

Section 91 of the *Environmental Protection and Enhancement Act* may provide a right of appeal against this decision to the Alberta Environmental Appeals Board. There may be a strict time limit for filing such an appeal. A copy of section 91 is enclosed. For further information, please contact the Board Secretary at #306 Peace Hills Trust Tower, 10011 - 109 Street, Edmonton, Alberta, T5J 3S8; telephone (780) 427-6207; fax (780) 427-4693.

Notwithstanding the above requirements, the Party shall obtain all necessary approvals in complying with this order.

Take notice that this environmental protection order is a remedial tool only, and in no way precludes any enforcement proceedings being taken regarding this matter under this Act or any other legislation.

Further, contravention of the Environmental Protection Order may lead to additional enforcement proceedings, up to and including prosecution.

This is Exhibit "P" referred to in the
Affidavit of Maxwell Harrison
Sworn before me this 29th day of March, 2021



A Commissioner for Oaths in and for Alberta

Vivienne M. Ball
Barrister & Solicitor
Alberta Justice and Solicitor General



**Regulatory Assurance
North Region - Capital**
PO Box 4240 (T7X 3B4)
Suite #1, 250 Diamond Avenue
Spruce Grove AB T7X 4C7
Telephone: 780-960-8600

ENVIRONMENTAL PROTECTION AND ENHANCEMENT ACT

BEING RSA 2000, c. E-12 (the "Act")

ENVIRONMENTAL PROTECTION ORDER EPO-EPEA-35659-06

JMB Crushing Systems Inc.
Suite 2300, Bentall 5 550, Burrard Street
Vancouver BC
V6C 2B5,
Canada

Byron Levkulich, Director
JMB Crushing Systems Inc.
1400 16th Street, Suite 320
Denver CO 80202
United States

Aaron Patsch, Director
JMB Crushing Systems Inc.
1400 16th Street, Suite 320
Denver CO 80202
United States

Jeffrey Buck, former Director
JMB Crushing Systems Inc.
3439 Keswick Boulevard SW
Edmonton, AB
T6W 3B2

Collectively referred to as the "Parties"

WHEREAS JMB Crushing Systems Inc. ("JMB") operates a pit under Registration No. 263318-00-00 located at NE-10-057-06-W4M (O'Kane Pit) in the County of St. Paul No. 19 ("O'Kane Pit");

WHEREAS Byron Levkulich and Aaron Patsch are Directors of JMB and Jeffrey Buck is a former Director of JMB ("Parties");

WHEREAS Aarbo Ranching Ltd. own the land on which the O'Kane Pit is located;

WHEREAS Harvey Aarbo is the director of Aarbo Ranching Ltd;

WHEREAS section 2.1.1 of the *Code of Practice for Pits* states any person who carries out an activity at a pit must do so in accordance with this Code of Practice;

- 2 -

WHEREAS an "activity at a pit" is defined in the *Code of Practice for Pits* to mean the construction, operation or reclamation of a pit;

WHEREAS on January 20, 2020 Alberta Environment and Parks ("AEP") sent an email to JMB stating that the O'Kane Pit security Bond No. BND0015362 in the amount of \$39,805.00 is expiring March 9, 2020.

WHEREAS on May 1, 2020, JMB obtained an initial order from the Court under the *Companies Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;

WHEREAS on November 18, 2020, AEP sent a letter to JMB indicating they failed to replace financial security instruments on 7 pits that were registered to JMB and located on private land, including the O'Kane Pit;

WHEREAS on January 26, 2021, April Franks, an Environmental Protection Officer ("EPO") and Inspector under the *Environmental Protection and Enhancement Act* RSA 2000, c E-12 (the "Inspector"), conducted a review of the O'Kane Pit Activities Plan and 2019 satellite imagery of the area and determined that JMB contravened the *Code of Practice for Pits* by:

- failing to restore the required financial security as required under section 3.2.2 of the *Code of Practice for Pits*;
- failing to follow the Activities Plan mining sequence including not conducting reclamation as required under section 4.1.1 of the *Code of Practice for Pits*;
- failing to report regulatory non-compliances to the Director as required under section 6.1.1 of the *Code of Practice for Pits*;

WHEREAS reclamation of the disturbed land on O'Kane Pit has not occurred to date;

WHEREAS section 3.2.2 of the *Code of Practice for Pits* states "unless exempted by the Act or the *Conservation and Reclamation Regulation*, as amended from time to time, no person shall commence or continue an activity at a pit unless the full amount of security for that pit has been provided to the Director, as authorized in writing by the Director."

WHEREAS section 4.1.1 of the *Code of Practice for Pits* states "no person shall conduct any activity at a pit except in accordance with the most recent Activities Plan.";

WHEREAS section 6.1.1 of the *Code of Practice for Pits* states "in addition to any other reporting required pursuant to this Code of Practice, the Act or the regulations under the Act, any person carrying out an activity at a pit shall immediately report any contravention of this Code of Practice to: (a) the registration holder; and (b) the Director: (i) by telephone at (780) 422-4505, or (ii) by a method:(A) in compliance with the release reporting provisions of the Act and the regulations; or(B) authorized in writing by the Director.";

WHEREAS on February 12, 2021, AEP issued a Notice of Non Compliance ("NONC") to JMB stating that AEP had identified non-compliances under the *Code of Practice for Pits* for pits registered to JMB located on private land, including the O'Kane Pit;

WHEREAS the NONC also stated that, by February 18, 2021, JMB was to provide:

- 3 -

- an assessment of the pits against the terms and conditions of the Registration and the *Code of Practice for Pits*, and
- a plan to bring each pit into compliance with the Registration and the *Code of Practice for Pits*;

WHEREAS JMB requested two extensions to the deadline to provide the information requested in the NONC, which AEP granted;

WHEREAS on February 24, 2021, JMB provided AEP with its response to the NONC, which stated that JMB's intentions with respect to the O'Kane Pit were as follows:

- to submit an updated Activities Plan by April 30, 2021 for the purpose of reclamation,
- to post a security bond as a part of the closing of the CCAA court proceedings upon acceptance of the updated activities plan, and
- implement reclamation within three years of the updated activities plan approval;

WHEREAS on February 22, 2020 EPO has a conversation with the landowner, Harvey Aarbo, who indicated that;

- JMB last operated the O'Kane Pit on or about summer 2018, at which time they operated without payment of royalties to the landowner;
- Aarbo Ranching Ltd. purchased the property in 2018 and has not had contact with JMB, Harvey Aarbo assumed he was responsible for the reclamation;
- Harvey Aarbo was relying on the security instrument from AEP to offset some reclamation costs and is concerned that JMB has not replaced security;

WHEREAS section 137 of the *Environmental Protection and Enhancement Act* states that an operator must conserve and reclaim specified land and unless exempted by the regulation, obtain a reclamation certificate in respect of the conservation and reclamation;

WHEREAS JMB is an 'operator' under section 134(b)(ii) of the *Environmental Protection and Enhancement Act*;

WHEREAS the O'Kane Pit is a "pit" as defined in the *Activities Designation Regulation* section 3(3)(d), for the purposes of Division 3 of Schedule 2;

WHEREAS the surface land disturbance in the O'Kane Pit is "specified lands" as defined by the *Conservation and Reclamation Regulation* section 1(t)(v);

WHEREAS the Parties are operators as defined in section 134(b)(i) of *EPEA*, i.e. an approval or registration holder who carries on or has carried on an activity on or in respect of specified land pursuant to an approval or registration, and section 34(b) vii), i.e. a person who acts as principal or agent of a person referred to in any of subclauses (i) to (vi);

WHEREAS section 3.1 of the *Conservation and Reclamation Regulation* states that the *Code of Practice for Pits*, as published by AEP, is adopted and forms part of that regulation and requires that a person carrying on an activity referred to in Column A of the Schedule must

- 4 -

comply with the corresponding Code of Practice in Column B of the Schedule in carrying on that activity;

WHEREAS the Schedule of the *Conservation and Reclamation Regulation* states that the construction, operation or reclamation of a pit that is listed in Schedule 2, Division 3 of the *Activities Designation Regulation* must comply with the *Code of Practice for Pits*;

WHEREAS EPO April Franks, North Region (the "Inspector") has been designated as an Inspector for the purposes of issuing environmental protection orders under section 140 the *Environmental Protection and Enhancement Act*;

WHEREAS the Inspector is of the opinion that the suspension of the operation in the O'Kane Pit and directing the performance of work is necessary in order to conserve and reclaim the O'Kane Pit;

WHEREAS the Inspector is of the opinion that the surface land disturbance meets the criteria of "specified lands" defined by the *Conservation and Reclamation Regulation* section 1(t)(v)

THEREFORE, I April Franks, Inspector, North Region, pursuant to section 140 of the *Environmental Protection and Enhancement Act*, DO HEREBY ORDER:

1. The Parties shall immediately suspend any and all work at the O'Kane Pit, and shall not remove any stockpiled materials.
2. By April 13, 2021, the Parties shall submit to the Inspector for the Inspector's approval, the name and qualifications of a consultant who carries a professional designation authorized to practice reclamation on private land, which the Parties will retain to prepare and sign the below noted reclamation and remedial plan.
3. By May 20, 2021, the Parties shall submit to the Inspector for the Inspector's review and approval a written reclamation and remedial plan ("Plan").
4. The Parties shall include at minimum include all of the following in the Plan:
 - a. Particulars of the characteristics and properties of the land including topography, drainage, soils, vegetation and land capability.
 - b. A historical synopsis of the surface, subsurface and groundwater disturbance.
 - c. A description of the adjacent land uses.
 - d. An accounting of what volume of marketable aggregate is left within the O'Kane Pit and its value.
 - e. A description of the reclamation work including the type of equipment, methods and materials that will be used in implementing the Plan.
 - f. A description of the proposed reclaimed land use that includes elevations, soil

- 5 -

replacement and re-vegetation.

- g. A description of how ground water infiltrating open excavations will be addressed and justification for any surface and water related improvements to be left in place.
- h. A proposed Schedule of Implementation that shall have October 29, 2022 as the completion date.
- i. A 6 month monitoring and maintenance program commencing October 29, 2022.

5. Upon approval of the Plan by the Inspector, the Parties shall conduct the work described in the approved Plan, according to the approved schedule of implementation, unless otherwise authorized in writing by the Inspector.

6. The Parties shall submit progress updates to the Inspector on July 30, 2021, November 30, 2021, March 31, 2022, and July 29, 2022 that include a detailed summary of all reclamation activities undertaken at O'Kane Pit;

7. Within 14 days of the completion of the requirements of this Order, the Parties shall submit to the Inspector a final written report prepared and signed by the consultant describing the work undertaken to comply with this Order.

DATED at the City of Spruce Grove in the Province of Alberta, this Thursday on the 11th day of March, 2021.



April Franks,
Inspector,
Environmental Protection Officer,
North Region

- 6 -

Section 91 of the *Environmental Protection and Enhancement Act* may provide a right of appeal against this decision to the Alberta Environmental Appeals Board. There may be a strict time limit for filing such an appeal. A copy of section 91 is enclosed. For further information, please contact the Board Secretary at #306 Peace Hills Trust Tower, 10011 - 109 Street, Edmonton, Alberta, T5J 3S8; telephone (780) 427-6207; fax (780) 427-4693.

Notwithstanding the above requirements, the Party shall obtain all necessary approvals in complying with this order.

Take notice that this environmental protection order is a remedial tool only, and in no way precludes any enforcement proceedings being taken regarding this matter under this Act or any other legislation.

Further, contravention of the Environmental Protection Order may lead to additional enforcement proceedings, up to and including prosecution.

This is Exhibit "Q" referred to in the
Affidavit of Maxwell Harrison
Sworn before me this 29th day of March, 2021



A Commissioner for Oaths in and for Alberta

Vivienne M. Ball
Barrister & Solicitor
Alberta Justice and Solicitor General



**Regulatory Assurance
North Region - Capital**
PO Box 4240 (T7X 3B4)
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Spruce Grove AB T7X 4C7
Telephone: 780-960-8600

ENVIRONMENTAL PROTECTION AND ENHANCEMENT ACT

BEING RSA 2000, c. E-12 (the "Act")

Amendment No.1

To

ENVIRONMENTAL PROTECTION ORDER EPO-EPEA-35659-01

JMB Crushing Systems Inc.
Suite 2300, Bentall 5 550, Burrard Street
Vancouver BC
V6C 2B5,
Canada

Byron Levkulich, Director
JMB Crushing Systems Inc.
1400 16th Street, Suite 320
Denver CO 80202
United States

Aaron Patsch, Director
JMB Crushing Systems Inc.
1400 16th Street, Suite 320
Denver CO 80202
United States

Jeffrey Buck, former Director
JMB Crushing Systems Inc.
3439 Keswick Boulevard SW
Edmonton, AB
T6W 3B2

Collectively referred to as the "Parties"

WHEREAS Environmental Protection Order No.35659-01 was issued to the Parties on March 3, 2021;

WHEREAS on March 12, 2021 JMB Crushing Inc. requested an extension to Clause 3 of the Environmental Protection Order, requesting to change the Plan's submission date from March 20, 2021 to March 27, 2021:

WHEREAS section 243 (1) (a) of the *Environmental Protection and Enhancement Act* states the Director may amend a term or condition of an environmental protection order;

- 2 -

THEREFORE, I, Maxwell Harrison, the Director pursuant to section 243 of the *Environmental Protection and Enhancement Act*, DO HEREBY ORDER:

1. In Clause 3 of the Environmental Protection Order, that the date of "March 20, 2021" be deleted and replaced by "**March 27, 2021**".

DATED at the City of Edmonton in the Province of Alberta, this Tuesday on the 16th day of March 2021.



Maxwell Harrison,
Compliance Manager,
Regulatory Assurance Division, Northern Region

Section 91 of the *Environmental Protection and Enhancement Act* may provide a right of appeal against this decision to the Alberta Environmental Appeals Board. There may be a strict time limit for filing such an appeal. A copy of section 91 is enclosed. For further information, please contact the Board Secretary at #306 Peace Hills Trust Tower, 10011 - 109 Street, Edmonton, Alberta, T5J 3S8; telephone (780) 427-6207; fax (780) 427-4693.

Notwithstanding the above requirements, the Party shall obtain all necessary approvals in complying with this order.

Take notice that this environmental protection order is a remedial tool only, and in no way precludes any enforcement proceedings being taken regarding this matter under this Act or any other legislation.

Further, contravention of the Environmental Protection Order may lead to additional enforcement proceedings, up to and including prosecution.

This is Exhibit "R" referred to in the
Affidavit of Maxwell Harrison
Sworn before me this 29th day of March, 2021



A Commissioner for Oaths in and for Alberta

Vivienne M. Ball
Barrister & Solicitor
Alberta Justice and Solicitor General

From: [April Franks](#)
To: [Tyler Pell](#)
Subject: RE: EPO-EPEA-35659-01, EPO-EPEA-35659-02, EPO-EPEA-35659-03, EPO-EPEA-35659-04, EPO-EPEA-35659-05, EPO-EPEA-35659-06 / Submission of Authorized Designated Professional
Date: March-12-21 11:28:00 AM

Thanks Tyler,

Received.

April Franks

Classification: Protected A

From: Tyler Pell <tylerpell@jmbcrush.com>
Sent: March-12-21 9:20 AM
To: April Franks <April.Franks@gov.ab.ca>
Subject: EPO-EPEA-35659-01, EPO-EPEA-35659-02, EPO-EPEA-35659-03, EPO-EPEA-35659-04, EPO-EPEA-35659-05, EPO-EPEA-35659-06 / Submission of Authorized Designated Professional

CAUTION: This email has been sent from an external source. Treat hyperlinks and attachments in this email with care.

Good morning April,

As required in EPO-EPEA-35659-01, EPO-EPEA-35659-02, EPO-EPEA-35659-03, EPO-EPEA-35659-04, EPO-EPEA-35659-05, and EPO-EPEA-35659-06, JMB respectfully submits Tyler Pell, RPFT registration #930009 under the Association of Alberta Forest Management Professionals (AAFMP), as the individual who carries a professional designation that authorizes Tyler to practice reclamation in the province of Alberta. Tyler has over 25 years of experience and is a member in good standing with AAFMP.

If you require further details please let me know.

Regards,

Tyler Pell

This is Exhibit "S" referred to in the
Affidavit of Maxwell Harrison
Sworn before me this 29th day of March, 2021



A Commissioner for Oaths in and for Alberta

Vivienne M. Ball
Barrister & Solicitor
Alberta Justice and Solicitor General

EPO-EPEA-35659-01 Plan

MacDonald Pit

Registration No. 293051-00-00

(SE-34-056-07-W4M)

JMB Crushing Systems Inc.

March 27, 2021

Contents

1.	Introduction	3
2.	Topography.....	3
3.	Drainage	3
4.	Soils.....	3
5.	Vegetation.....	3
6.	Land Capability	3
7.	History of surface, subsurface, groundwater disturbance	4
8.	Adjacent Land Use.....	4
9.	Marketable Aggregate.....	4
10.	End Land Use	4
11.	Reclamation Objective	4
12.	Reclamation Activities	5
12.1.	Equipment Types	5
12.2.	Recontouring.....	5
12.3.	Topsoil Placement.....	5
12.4.	Revegetation.....	5
13.	Monitoring and Maintenance Program – Six Months	6
14.	Schedule.....	6
15.	Closure	7

APPENDIX A - Current Conditions Map

APPENDIX B - Cross Section Map

APPENDIX C - Conceptual Reclamation Map

APPENDIX D - Cross Sections

1. Introduction

This Plan is in response to EPO-EPEA-35659-01 on MacDonald pit EPEA registration 293051-00-00 and covers requirements in the order under #4 Plan requirements.

Information from the current approved Activities Plan for the pit registration was used in the development of the Plan. Unless otherwise directed by Alberta Environment & Parks the current Activities Plan under the EPEA registration will cover regulatory requirements after the EPO requirements are met.

April Franks, Environmental Protection Officer with Alberta Environment & Parks was consulted in the development of the Plan.

2. Topography

The pit is located on generally flat ground that is 650 meters upslope from Dog Rump Creek. The pre-disturbance slopes were upwards of the 6%.

3. Drainage

The site and adjacent lands have a general north-east aspect and are well drained. There have been no detected water impoundment issues during the life of the pit and all surface runoff has drained away into the parent material.

A 0.5 hectare wetland to the south-west of the excavation was avoided and buffered during operations. It is undetermined if it is native wetlands or was disturbed as part of the original clearing for pasture land.

4. Soils

The soils are classified as a Orthic Black Chernozem and typical to the Ferintosh series. The loam topsoil overlays a gravelly substrate.

The pre-disturbance topsoil layer thickness averaged 16 cm.

5. Vegetation

Prior to disturbances by the gravel pit operations the land was used as pasture land. The vegetation was consistent with supporting typical pasture land needs. Species include alfalfa, Kentucky bluegrass, smooth brome, slender wheatgrass, yarrow, field pussytoes, and dandelion.

6. Land Capability

The Canadian Land Inventory classification for the pit is a Class 3, subclass S.

Soils in Class 3 have moderately severe limitations that restrict the range of crops or require special conservation practices.

The subclass indicates a combination of subclasses.

7. History of surface, subsurface, groundwater disturbance

Typical disturbance of surface and subsurface has occurred as part of the excavation of insitu aggregate.

The total historic disturbance of JMB operations is 11.8 hectares. Of that 6.1 hectares has already been reclaimed and 5.7 hectares is considered active.

The current reclaimed area meets the 20:1 sloping requirement, is revegetated, and has been used by the landowner for pasturing livestock.

The subsurface insitu aggregate pit was excavated to a depth of up to five meters.

No evidence has been found that shows groundwater disturbance.

A small livestock dugout has been constructed at the request of the landowner. The rough dimensions are 50 meters x 18 meters x 2 m deep. The volume of the dugout has been calculated to be 1,276 m³ which is under the 2,500 m³ Water Act approval threshold and meets the other criteria for not requiring Water Act approval based on WATER (MINISTERIAL) REGULATION Schedule 1 section 2(l).

8. Adjacent Land Use

The adjacent land use consists of other pasture lands, hay lands, and a gravel pit to the north-west.

9. Marketable Aggregate

The marketable material piles are labeled on the current conditions map as "PR#". The volume and value are presented in the table below.

Marketed Pile #	Volume m ³	Value \$ FOB
PR1	2,220	70,584
PR2	1,015	26,967
PR3	73	
PR4	6,096	154,141
Total	9,404	251,692

The Value \$ FOB total does not take into account the royalty payment that would have to be paid to the landowner for sale of the marketable material.

10. End Land Use

The end land use will be pasture. Reclaimed areas south of the active area have already been used by the landowner for pasturing livestock.

11. Reclamation Objective

The reclamation objective is to satisfy the EPO requirements and works towards receiving a reclamation certificate and termination of the EPEA registration.

12. Reclamation Activities

Once the inventoried marketable material is removed final reclamation activities will begin.

12.1. Equipment Types

Typical heavy equipment will be used to complete the earthworks portion of the reclamation activities. This includes a tracked excavator, rock truck, and dozer.

Typical farm equipment or an equivalent ATV setup will be used to complete the revegetation portion of the reclamation activities. This includes a rubber-tired tractor or equivalent ATV with seeding attachment.

12.2. Recontouring

Recontouring will be completed using crushing elimination and any other material not used for production purposes. Any piled material of this type is described as general reclamation material and labeled on the current conditions map as "RM#". The total volume of reclamation material is 21,223 m³.

The active area of the pit will be recontoured to sloping no greater than 20:1 for the majority of the pit to meet Class 3 CLI capability. A general north aspect will be maintained as part of the recontouring. Slopes located along the property boundaries will be recontoured to sloping no greater than 3:1.

The pit floor will be ripped where compacted prior to replacing topsoil.

12.3. Topsoil Placement

Topsoil placement will target, at a minimum, 80% of the pre-disturbance thickness. This is based on the industry norm of expected soil losses during soil handling activities.

The topsoil piles are labeled on the current conditions map as "TS#". The total volume of topsoil is 6,824 m³.

The disturbed area requiring topsoil is 5.8 hectares.

Based on the area requiring topsoil and the volume of topsoil available, the calculated topsoil thickness would be 12 cm. This is 1 cm less than the targeted replacement depth of 13 cm stated in the current Activities Plan. A site assessment of the area will be completed in May 2021 to determine possible increases in topsoil volumes that could go towards meeting the original targeted depth of 13 cm. If no increase in volume is found the targeted depth of 12 cm will be used. Personnel involved in topsoil placement activities will be made aware of the topsoil volume limits and the extra care needed when handling and placing the salvaged topsoil. Topsoil placement activities will be supervised and monitored by a competent individual with experience in earthworks operations.

12.4. Revegetation

An appropriate pasture mix and fertilizer for establishing pasture land along with the application rates will be discussed and finalized with the landowner.

The replaced topsoil will be seeded using typical farm equipment or an equivalent ATV setup.

13. Monitoring and Maintenance Program – Six Months

As per the EPO requirements a six-month monitoring and maintenance program will be implemented after final reclamation is completed.

The program scope will cover the completed reclamation activities under the EPO and will monitor the success of the implemented activities and identify the need for any maintenance to meet the objectives of the Plan.

Monitoring of the following will occur:

- Soil stability and signs of erosion
- Surface drainage compared to plan
- Seed germination success
- Weed occurrences

Maintenance activities required to address any issues found in the monitoring portion of the program will be implemented in the applicable season. They could include, but not limited to:

- Corrective earthworks (summer, fall)
- Additional seeding (spring, summer)
- Spraying for weeds (summer)

If the reclamation activities are completed shortly before winter conditions, the monitoring and maintenance will continue in the spring and summer of the following year as part of the EPO requirements or as part of the EPEA registration process in preparation of applying for a reclamation certificate and eventual termination of the registration.

14. Schedule

Year	Activities covered under EPO or EPEA Registration	Description	Completion Date
2021	EPO	Remove marketable material as markets allow.	Variable
2021	EPO	Site assessment to finalize topsoil volume availability.	May 15
2021	EPO	Complete the major recontouring by October 31 st if all marketable material is removed by September 1 st . If not defer all reclamation activities to 2022.	Oct 31 *Depending on removal of marketable materials
2022	EPO	Remove any remaining marketable material.	June 15
2022	EPO	Complete all remaining recontouring activities, place topsoil, and seed topsoil with pasture mix.	July 15
2022	EPO	Assess soil stability, revegetation success, and for the presence of weeds.	Sept 15
2022	EPO	Address any shortfalls discovered from assessment.	Sept 20
2022	EPO	Begin six month monitoring requirement as per the EPO.	Sept 20 or earlier if final reclamation completed earlier
2023	EPEA	Assess soil stability after spring thaw.	May 15
2023	EPEA	Assess revegetation success and survey for the presence of weeds.	July 1
2023	EPEA	Apply for reclamation certificate that will go towards terminating the registration.	Nov 1

JMB Crushing Systems Inc.
MacDonald Pit 293051-00-00
EPO Plan March 2021

15. Closure

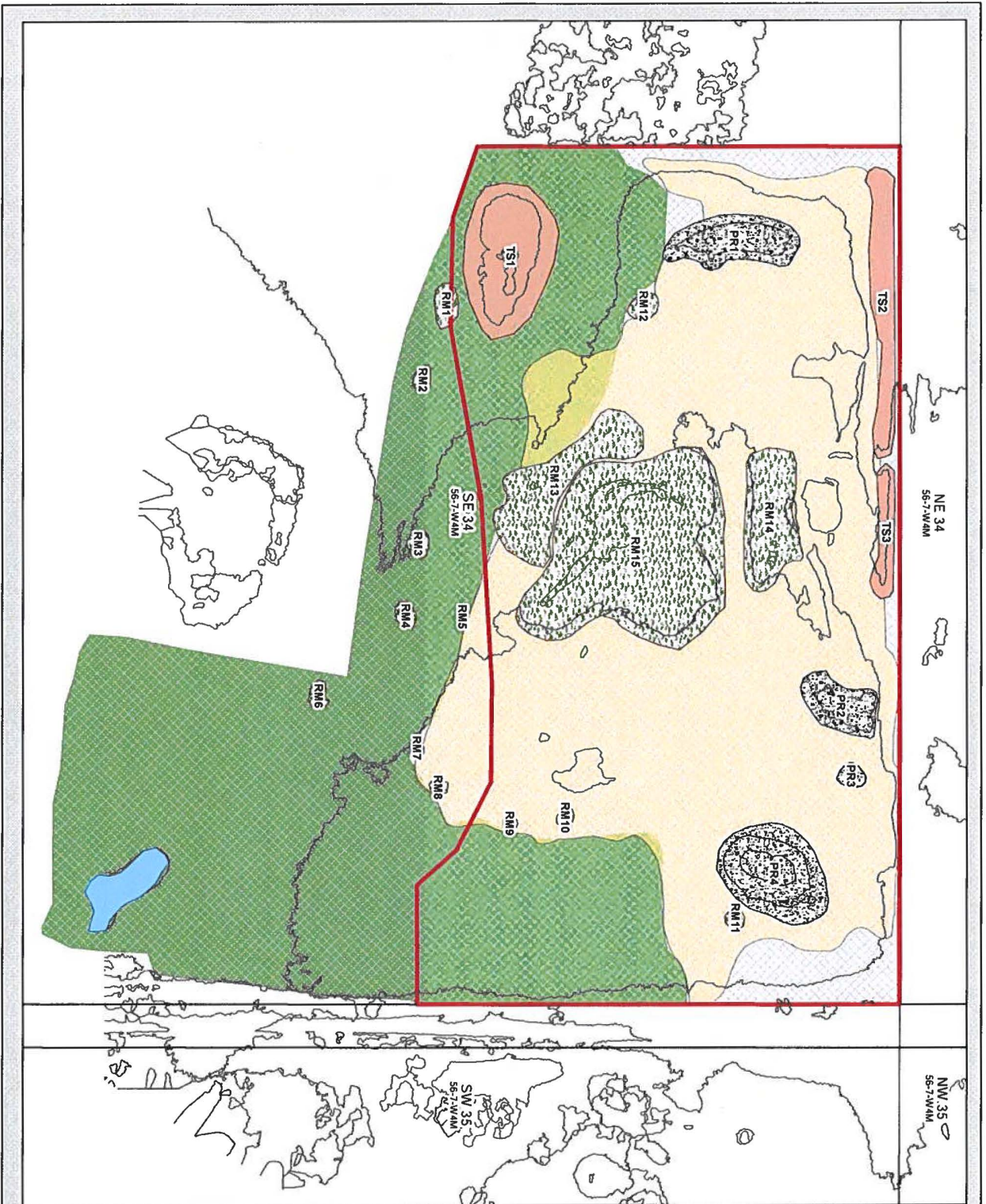
This EPO Plan has been prepared by Tyler Pell RPFT, Aggregate Resource Manager, JMB Crushing Systems Inc.



Tyler Pell, RPFT



APPENDIX A – Current Conditions Map



JMB CRUSHING SYSTEMS INC
Macdonald Pit
EPO-EPA-35659-01 Plan
CURRENT CONDITIONS N 19

County of St. Paul No. 19
 WITHIN
 SEC 34 TWP 56 RGE 7 W/4M



- LEGEND**
- Macdonald Pit Registration Boundary
 - Output
 - 5m Contour
 - Pit
 - Product
 - Reclamation Material
 - Topsoil
 - Active Area (5.8 ha)
 - Total Disturbance (11.8 ha)
 - Redeemed

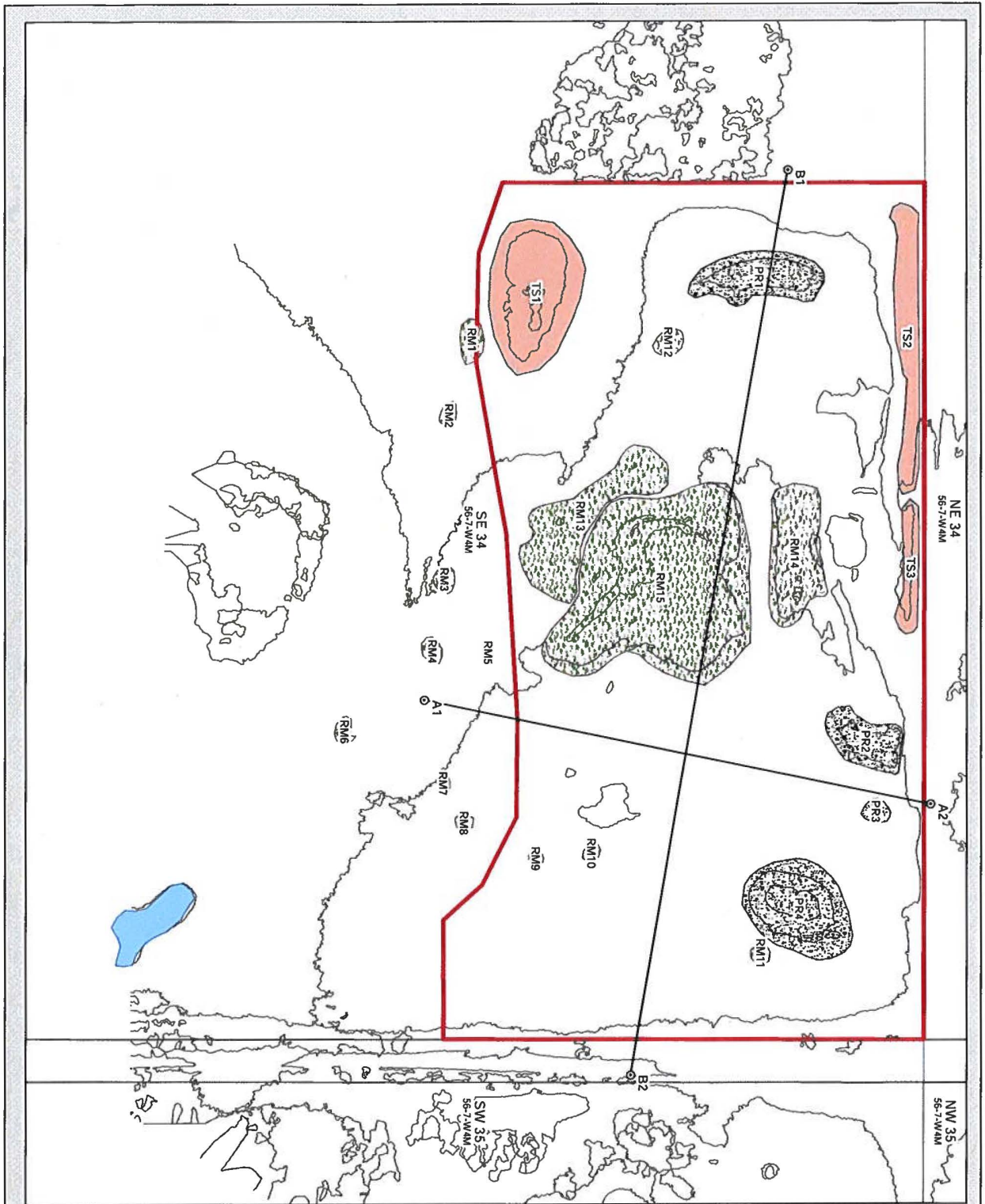
DATE: March 26, 2021	BEARINGS: Decimal Degrees North/NAD83
DRAWN BY: 49 North Geospatial	PROJECTION: NAD83 UTM Zone 12N Units in meters
VERSION: 1.0	DATUM: NAD 1983

MAP SCALE
 1:1,700

0 25 50 100 m

JMB
 JMB Crushing Systems, Inc.
 P.O. Box 6977 Berryville, AB T9N2H4
 Phone: (780) 825-1774

APPENDIX B – Cross Section Map



JMB CRUSHING SYSTEMS INC
Macdonald Pit
EPO-EPEA-35659-01 Plan
CROSS SECTION MAP

County of St. Paul No. 19
 WITHIN:
 SEC 34 TWP 58 RGE 7 W4M

LEGEND

- Cross Sections Station
- Cross Section
- Macdonald Pit Registration Boundary
- Dump
- 5m Contour
- Pile
- Product
- Reclamation Material
- Topsoil

DATE: March 28, 2021

BEARINGS: Decimal Degrees
North Azimuth

DRAWN BY: 49 North Geospatial

PROJECTION: NAD83 UTM Zone 12N
Units in meters

VERSION: 1.0

DATUM: NAD 1983

MAP SCALE
1:1,700

JMB
 JMB Crushing Systems Inc.
 P.O. Box 8977 Boonville, AB T9N2H4
 Phone: (780)-828-1774

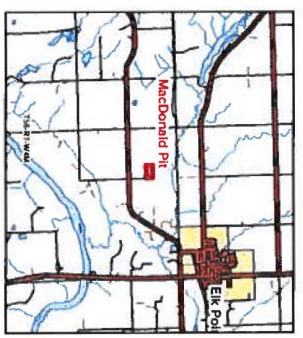
APPENDIX C – Conceptual Reclamation Map



JMB CRUSHING SYSTEMS INC
MacDonald Pit
 EPO-EPEA-35659-01 Plan
CONCEPTUAL RECLAMATION PLAN

County of St. Paul No. 19
 WITHIN:
 SEC 34 TWP 56 RGE 7 W4M

05.22a-3098



- LEGEND**
- MacDonald Pit Registration Boundary
 - Flow Arrow
 - 5m Contour
 - ▨ Total Disturbance (111.8 ha)

DATE: March 26, 2021	BEARINGS: Decimal Degrees North Azimuth
DRAWN BY: 49 North Geospella	PROJECTION: NAD83 UTM Zone 12N Units in meters
VERSION: 1.0	DATUM: NAD 1983

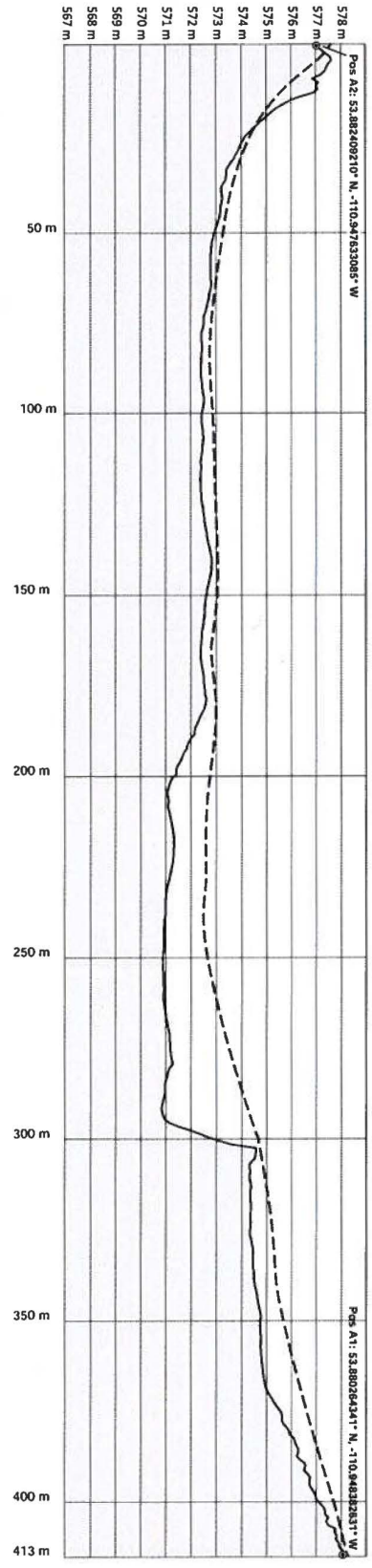
MAP SCALE
 1:1,700

0 25 50 100 m

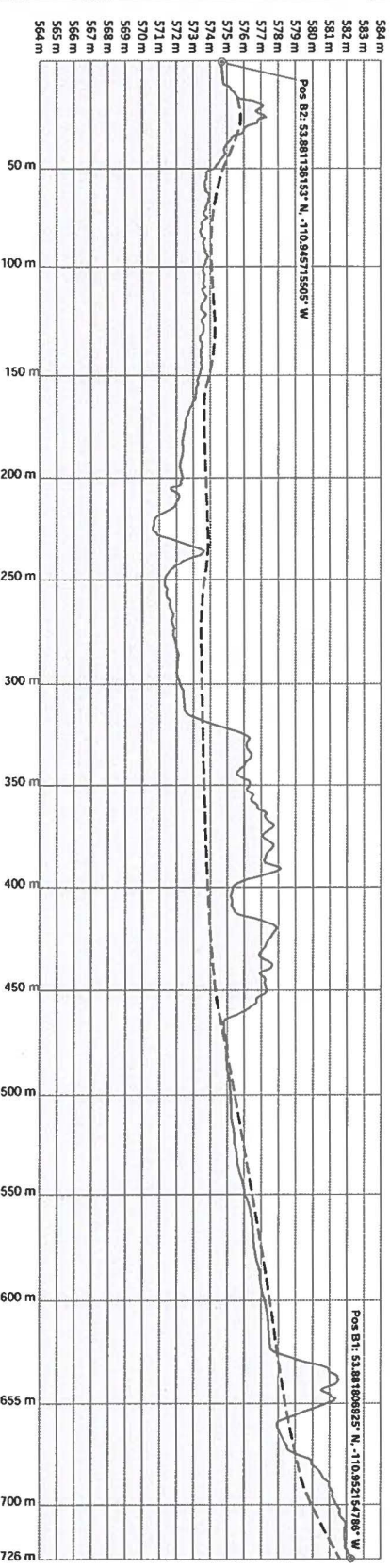
JMB
 JMB Consulting Systems, Inc.
 P.O. Box 61877 Berwyn, AB T4N2M4
 Phone (780) 525-1174

APPENDIX D – Cross Sections

Cross Section A



Cross Section B



MACDONAL PIT

Figure 1
 Cross Section A
 and
 Cross Section B

COUNTY OF ST. PAUL NO. 19
 WITHIN:
 SEC 34 TWP 56 RGE 7 W4M

All Units in Meters / Variable Scale
 Method of Data Capture (Profile): 1 metre LIDAR
 Coordinate System: NAD 1983 UTM Zone 12N
 Contour Interval: 20, 2021 Dp - 49 Meters (Optional)

JMB Consulting Systems Inc.
 1000-10th Street S.E.
 Calgary, Alberta T2C 1P7
 Phone: (403) 242-1774

This is Exhibit "T" referred to in the
Affidavit of Maxwell Harrison
Sworn before me this 29th day of March, 2021



A Commissioner for Oaths in and for Alberta

Vivienne M. Ball
Barrister & Solicitor
Alberta Justice and Solicitor General

Natasha Sutherland

From: Tyler Pell <tylerpell@jmbcrush.com>
Sent: Friday, October 30, 2020 2:04 PM
To: Valerie Collins
Cc: Tyler Pell
Subject: List of Registration Transfers - JMB to Mantle
Attachments: 00017395-01-00-Havener.pdf; 00015048-03-00_Buksa.pdf; 00308161-00-00_Shankowski.pdf

CAUTION: This email has been sent from an external source. Treat hyperlinks and attachments in this email with care.

Hi Valerie

As a follow up to our phone conversation I have attached the three COP registrations that we are requesting *Consent to Transfer* forms. I pulled the "-00" ones, please let me know if that is correct.

The two entities are:

1. From : JMB Crushing Systems
2. To : Mantle Materials Group, Ltd.

Any questions please contact me directly for either JMB or Mantle matters.

Regards,

Tyler Pell
1.780.815.0139

This is Exhibit "U" referred to in the
Affidavit of Maxwell Harrison
Sworn before me this 29th day of March, 2021



A Commissioner for Oaths in and for Alberta

Vivienne M. Ball
Barrister & Solicitor
Alberta Justice and Solicitor General

Natasha Sutherland

From: Valerie Collins
Sent: Friday, October 30, 2020 2:53 PM
To: 'Tyler Pell'
Cc: Stephen Abioye
Subject: RE: List of Registration Transfers - JMB to Mantle
Attachments: 308161-00-03.doc; 17395-01-01.doc; 15048-03-03.doc; North-Letter of Credit (Renew) - 3 Year.doc; North-Letter of Credit (Renew) - Automatic.doc; PERFORMANCE BOND - 1 Year Term.doc; Security Options-New with Performance Bond.doc

Hi Tyler

As requested, attached are the Consent to Transfer document for the following Registrations from JMB Crushing Systems Inc. to Mantle Materials Group, Ltd.

15048-03-00 - Buksa Pit NE 24-056-07-W4M
17395-01-00 – Havener Pit NW 16-056-07-W4M
308161-00-00 – Shankowski Pit SW 21-056-07-W4M

We require 2 originals of each document to be signed by an authorized representative from each party and all originals are to be forwarded to the address below for further processing.

A security deposit is required from the new registration holder prior to the Consent of Transfer documents being signed by our Director. Security estimates should be discussed with Stephen Abioye at (780) 960-8660 on the amount that is required for the transfer of these registrations. I am also attaching our security options and Letter of Credit and Performance Bond formats.

Also, please provide a mailing address for Mantle Materials Group, Ltd.

Please send the original signed transfer documents along with the security deposits to our office at the address below for further processing.

Thanks

Valerie Collins

Valerie Collins
Application & Security Coordinator
Alberta Environment and Parks
Regulatory Approvals Centre
5th Floor, South Petroleum Plaza
9915 - 108 Street
Edmonton, AB T5K 2G8
Phone: (780) 427-9541 Fax: (780) 422-0154
E-Mail: Valerie.Collins@gov.ab.ca

Visit <https://avw.alberta.ca/ApprovalViewer.aspx> - An on-line viewing of Approvals, Licences, Registrations and Permits issued under the Water Act and Environmental Protection and Enhancement Act.

From: Tyler Pell <tylerpell@jmbcrush.com>
Sent: Friday, October 30, 2020 2:04 PM
To: Valerie Collins <Valerie.Collins@gov.ab.ca>
Cc: Tyler Pell <tylerpell@jmbcrush.com>
Subject: List of Registration Transfers - JMB to Mantle

CAUTION: This email has been sent from an external source. Treat hyperlinks and attachments in this email with care.

Hi Valerie

As a follow up to our phone conversation I have attached the three COP registrations that we are requesting *Consent to Transfer* forms. I pulled the "-00" ones, please let me know if that is correct.

The two entities are:

1. From : JMB Crushing Systems
2. To : Mantle Materials Group, Ltd.

Any questions please contact me directly for either JMB or Mantle matters.

Regards,

Tyler Pell
1.780.815.0139