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Our File: 55198-1

Your File: 2001-05482

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By email to maria.mancia@albertacourts.ca

The Honourable Justice K. M. Eidsvik
Court of Queen's Bench of Alberta
Calgary Courts Centre
601 5 St SW
Calgary, AB T2P 5P7

Dear Madam Justice Eidsvik:

Re: *In the matter of JMB Crushing Systems Inc. and 216189 Alberta Ltd (2001 05482)*

My office acts for an aggregate company called Kalinko Enterprises Ltd. My client needs to bring an urgent application before the Court in this CCAA proceeding. You have presided over several hearings in this matter, but I was not sure whether you are formally seized of the action or not, so I spoke with your helpful assistant, Ms. Mancia. She directed me to write this letter to you to ask whether you wish to hear the application yourself, or if it can go to any available Commercial List justice, and to explain why the application is urgent.

JMB and Kalinko

Between 2012 and 2019, Kalinko and JMB had a contract regarding access by JMB to aggregate on Kalinko's lands. Kalinko terminated that agreement for default in April 2019.

Kalinko has learned that despite the fact the agreement was terminated more than a year prior to this CCAA proceeding, JMB is marketing Kalinko's aggregate for sale in the SISP process. Kalinko asked JMB to stop purporting to sell Kalinko's aggregate; JMB refused.

The Application

Accordingly, Kalinko is applying for an order directing JMB to remove the marketing materials from the SISP data room which purport to sell Kalinko's aggregate, stop any efforts to sell it, and for certain other relief (like declarations that Kalinko owns its aggregate, or, at least, that JMB doesn't). I am enclosing a sworn affidavit from Kalinko's President, Tim Kalinski, and the

form of application, and am in the process of filing both by fax or email.

The Second Monitor's report, filed earlier this month, highlighted the serious issues with JMB's claimed aggregate inventory, which is the subject of this application. According to the Monitor, JMB first claimed to own 2,565,698 tonnes of aggregate. It has now adjusted this number down to only 360,116 tonnes, meaning it had initially inflated its inventory by a factor of seven. As this discrepancy was uncovered, JMB's long-time CEO, Jeff Buck, resigned. Given this context, Kalinko's concerns regarding JMB's claimed aggregate are well-founded.

Urgency

As Mr. Kalinski deposes, there is significant urgency for Kalinko. As far as my client can tell, JMB is marketing tens of thousands of tonnes of Kalinko aggregate worth more than a million dollars. Aggregate is a highly seasonal business, where most work happens during the short summer construction season. It is also a small, closely-knit industry, where all major players know each other. JMB's attempts to market Kalinko's aggregate as if they own it have cast a pall over Kalinko's ability to sell its aggregate during this season, imperilling its business during an already dire economic climate. Without a swift ruling from the Court, Kalinko will miss the window to sell its aggregate this year.

Could Ms. Mancina advise me whether this application may go before any Commercial List justice, or you wish to hear it, so we can proceed to schedule an expeditious date? I am not a seasoned user of CaseLines but I will work with Monitor's counsel's office to endeavour to get these materials posted quickly once filed.

Thank you for your time. I am copying the service list.

Sincerely,

FIELD LLP

A handwritten signature in black ink, appearing to read "Scott Matheson". The signature is written in a cursive, flowing style.

Scott Matheson

Cc: clients, service list