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COURT COURT OF QUEEN'S BENCH OF ALBERTA

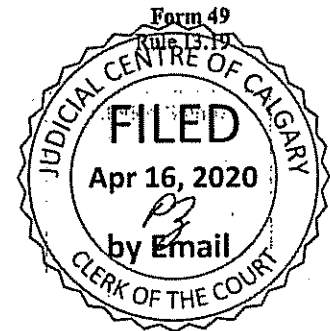
JUDICIAL CENTRE CALGARY

APPLICANTS IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 1985, c C-36, as amended #44672
 AND IN THE MATTER OF THE COMPROMISE OR ARRANGEMENT OF JMB CRUSHING SYSTEMS INC. and 2161889 ALBERTA LTD.

DOCUMENT **AFFIDAVIT**

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AFFIDAVIT OF JEFF BUCK
 sworn April 16, 2020

I, **JEFF BUCK**, of the City of Edmonton, in the Province of Alberta, **MAKE OATH AND SAY THAT:**

1. I am the President and Chief Executive Officer of the Applicant JMB Crushing Systems Inc. ("JMB") and a director of the Applicant 2161889 Alberta Ltd. ("216") and have personal knowledge of the matters herein deposed to, except where stated to be based upon information and belief, in which case I verily believe same to be true.
2. I am authorized to swear this Affidavit as corporate representative of the Applicants.
3. All references to dollar amounts contained herein are to Canadian Dollars unless otherwise stated.

A handwritten signature in black ink, appearing to be 'Jeff Buck'.

I. RELIEF REQUESTED

4. This Affidavit is sworn in support of an Application by the Applicants for an Order (the **"Initial Order"**) pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the **"CCAA"**), for the following relief:
- (a) declaring that JMB and 216 are companies to which the CCAA applies;
 - (b) dispensing with service of the Originating Application and supporting materials on all creditors of the Applicants, and/or deeming service thereof to be good and sufficient and abridging the time for service, if any;
 - (c) authorizing the Applicants to remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the **"Property"**) and to continue to carry on business in a manner consistent with the preservation of its business (the **"Business"**) and Property;
 - (d) entitling the Applicants to make payment of all obligations owing in respect of employee wages and benefits;
 - (e) entitling the Applicants to pay reasonable expenses incurred by them in operating the Business in the ordinary course, including making payment of obligations owing in respect of goods and services supplied to JMB prior to the date of the Initial Order to the extent permitted by the Initial Order;
 - (f) staying, for an initial period of not more than ten (10) days (the **"Stay Period"**), all proceedings and remedies taken or that might be taken in respect of the Applicants, the Business, or the Property, except as otherwise set forth in the Initial Order or otherwise permitted by law;
 - (g) preventing any Person from accelerating performance of any rights in respect of the Applicants, except with the written consent of the relevant Applicant and the Monitor, or leave of the Court;



- (h) restraining any Person from interfering with the supply of goods or services to any of the Applicants;
- (i) staying all proceedings and remedies taken or that might be taken in respect of claims against the directors or officers of the Applicants that relate to liability of such Persons in their capacity as directors or officers of the Applicants, except as otherwise set forth in the Initial Order or otherwise permitted by law;
- (j) appointing FTI Consulting Canada Inc. ("FTI") as Monitor of the Applicants in these proceedings;
- (k) providing enhanced powers to the Monitor;
- (l) authorizing the Applicants to obtain interim financing;
- (m) authorizing the Applicants to pay all reasonable fees and disbursements of their counsel, the Monitor and the Monitor's counsel;
- (n) granting the following charges on the Applicants' Property in priority to all other charges:
 - (i) a charge in favour of the Monitor, its counsel, and the Applicants' counsel in respect of their fees and disbursements;
 - (ii) a charge in favour of the interim lender to the Applicants; and
 - (iii) a charge in favour of the directors and officers of the Applicants;
- (o) scheduling a comeback application for hearing at a date and time to be set the Court; and
- (p) such further and other relief as the Applicants may request and the Court may grant.

II. OVERVIEW

5. For the reasons set out herein, I do verily believe that the Applicants are insolvent and are companies to which the CCAA applies.



6. JMB's principal office is located in Bonnyville, Alberta, which is shared with 216. 216 is a holding company for surface material leases and has no operations or employees.
7. JMB produces and supplies aggregates for the oil and gas industry, for road building and for industrial projects throughout Alberta. JMB's has a highly experienced team with extensive knowledge of road building, site development and management of pits from opening to reclamation. Its services include lease and road maintenance, gravel pit management, excavation and reclamation, mobile gravel crushing, scaling, weighing and loading services, trucking and delivery, and heavy haul trucking operations. JMB has traditionally had two divisions – the crushing division and the trucking division.
8. Through a series of agreements, JMB owns or has exclusive access to 48 gravel pit locations in Alberta. 216 holds ten surface material leases over Crown lands.
9. JMB's primary clients include the construction industry, municipal and provincial governments, and companies within the oil and gas sector in Alberta. JMB maintains a significant inventory of aggregate, including granular base course gravels, asphalt concrete pavement aggregates, screened sand, manufactured fines, pea gravel, traffic gravel, concrete rock and weeping tile rock. The aggregate inventory is very specifically sized material scattered across the province. The majority of the inventory has been excavated from the pit and processed through JMB's gravel crushers. It is then stockpiled in anticipation of sale. Some inventory is crushed to a very large size (10") and reprocessed in accordance with customer specifications once a contract has been signed. Most customers need smaller size aggregate, so the gravel, even if it has been previously crushed, must be crushed again to customer specifications.
10. JMB's sales team and I work very hard to source opportunities to sell our products. Our business is largely driven by relationships and our networks of contacts built up over years of being in the industry. Collectively, our team has an extensive network of contacts that we use to find work. I have 35 years of experience in this industry and my team also has extensive experience in this industry.



11. JMB coordinates all of the logistics for processing the aggregate and delivery to any location in Alberta. JMB currently operates with 25 units in its gravel fleet and has over 100 units of crushing, excavation, loading and trucking equipment, including three mobile crushing plants, rock trucks, excavators, crawler dozers, graders, wheel loaders, truck scales, tractors, winch tractors and trailers. Our customers know that they can rely on us to provide a quality product processed to their specifications.
12. The 2015 downturn in oil and gas prices reduced the cash flow and liquidity available to JMB ULC (JMB's predecessor, described below) which in turn reduced the demand for JMB ULC's crushed gravel by the oil and gas industry. The downturn also reduced the demand of the construction industry for its gravel.
13. As a result, JMB ULC looked for opportunities to refinance or obtain an injection of funds into its operations. JMB ULC, and subsequently JMB, worked with ATB Financial ("ATB") and Integrated Private Debt Fund V LP ("Integrated"), its primary secured lenders, to obtain increased credit under the existing facilities. JMB ULC also found an equity investor, Resource Land Fund V, LP ("RLH"), which culminated in a purchase and sale transaction in November 2018 (further described below) pursuant to which RLH acquired a majority interest through its wholly owned subsidiary from Canadian Aggregate Resources Corp. ("CARC"). JMB also negotiated with Integrated's successor, Fiera Private Debt Fund VI LP ("Fiera"), in the fall of 2019 for an additional credit facility which is now administered together with the facilities originally provided by Integrated (as further described below).
14. Since its acquisition, JMB has worked with RLH to streamline its operations and implement an up-to-date accounting system. JMB hired Jeff Ryks in April 2019 as its first Chief Financial Officer, who has focussed on implementing the system in order to enhance JMB's financial reporting and modeling, improve the accuracy of its record keeping, and enable JMB to analyze its operations and assess the profitability of new projects and its ability to accurately price its projects.

15. Additionally, since the share purchase and amalgamation in November 2018, RLH's wholly-owned subsidiary CARC has injected \$19,375,626 of capital into JMB in order to enhance the net working capital of the company.
16. In December 2019, ATB issued a notice of default to JMB outlining its concerns and providing a cure period for JMB to address those concerns. The cure period was extended several times, with the current period to end on April 15, 2020.
17. Prior to and during the cure period, the Applicants have implemented cost cutting measures, and have been working to identify additional sources of capital or opportunities to refinance. However, these efforts have been seriously hampered by the public health emergency caused by COVID-19 and the states of emergency and public health orders requiring social distancing, self-isolation and restricting gatherings that have been declared by the governments of Alberta and Canada and by local, state and federal governments in the United States. As a result, the Applicants are unable to cure the defaults by April 15, 2020, thereby entitling ATB to accelerate payment of all amounts due and owing.
18. As set out in more detail below, management of JMB believes that the value available to the various stakeholders will be maximized by (a) implementing a business reorganization plan developed by JMB (described in more detail below), (b) continuing operations to permit the completion of ongoing, profitable contracts and permit JMB to perform profitable contracts that are awarded to it after the commencement of the proceedings, and (c) carrying out through the Monitor a sale, re-capitalization and investment solicitation process (the "SISP") to permit either the sale, recapitalization or restructuring of JMB's business.
19. In order to implement the business plan, permit the reduced level of operations described above, and implement and carry out of the SISP, CARC has agreed to provide interim financing during the CCAA proceedings on terms as set out below (the "Interim Financing"). ATB has also expressed interest in providing Interim Financing provided that its concerns with respect to the CCAA proceedings were addressed. JMB, CARC and ATB are currently in discussions with respect to which party would provide the Interim Financing and on what terms.



III. BACKGROUND AND BUSINESS OPERATIONS

20. The original company was founded in the late 1970s by my father. I purchased the company over 20 years ago from my father and have been serving the oilfield and construction industry ever since. The company started with one piece of hauling equipment and has grown through acquisition of additional gravel holdings and equipment to running a fleet in excess of 100 units and employing one of the most experienced work forces in northeastern Alberta.
21. JMB's predecessor company was JMB Crushing Systems ULC ("JMB ULC"). JMB Crushing Services Inc. acquired all of the issued and outstanding shares in JMB ULC as of November 21, 2018 and then carried out a series of transactions culminating in an amalgamation on or about December 14, 2018 with JMB ULC to form JMB.
22. JMB is a privately held corporation incorporated by amalgamation pursuant to the laws of the Province of British Columbia and is extra-provincially registered in the Province of Alberta. JMB's registered office is in Edmonton. A copy of the corporate search is attached hereto as **Exhibit "A"**. JMB has two shareholders: (a) CARC, which owns 95.2% of the shares in JMB, and (b) my company, J. Buck & Sons, which owns the remaining 4.8%.
23. 216 became a wholly owned subsidiary of JMB pursuant to a purchase and sale agreement dated March 15, 2019 between JMB and 541466 Alberta Ltd. 216 is incorporated pursuant to the laws of the Province of Alberta. Its registered office is located in the City of Edmonton. As further described below, 216 is a guarantor for JMB. A copy of the corporate search is attached hereto as **Exhibit "B"**.
24. Eastside Rock Products, Inc. ("**Eastside**") is a company incorporated pursuant to the laws of the State of Washington and is a wholly owned subsidiary of JMB. As further described below, Eastside is a guarantor for JMB.
25. JMB holds 32.4% of the shares in Atlas Aggregates Inc., which in turn owns an interest in a joint venture doing business under the name Glacier JV. Glacier JV owns a gravel property in northeastern Alberta that is operated by JMB.

A. Core Business and Services

26. JMB produces and supplies aggregates for leading oil field companies, industrial projects, and road construction throughout Alberta. The aggregates are produced to customer specifications for road and other surface infrastructure needs. JMB's services also include lease and road maintenance, gravel pit management, excavation and reclamation, mobile gravel crushing, scaling, weighing, loading, trucking and delivery.
27. Until early 2020, JMB operated two divisions: crushing and trucking. As described below, starting February 2020, JMB implemented a business plan under which it significantly reduced its in-house crushing and trucking divisions and instead retained highly reputable trucking and crushing subcontractors.

B. Lands/Leases

28. JMB owns two properties in the Elk Point area of Alberta. JMB also holds leases over a number of privately held lands that permit it exclusive access to process and remove gravel from the lands.
29. As noted above, 216 holds ten surface materials leases (also known as SMLs) over Crown lands.

C. Employees

30. As of March 27, 2020, JMB had 56 employees. JMB previously had 120 employees, but proactively reduced its workforce over the past few months to reduce operational costs, streamline its business and improve efficiency.
31. There are currently 17 salaried employees and 39 hourly employees who carry out the following functions:
- (a) 30 employees work in the trucking department and include drivers, supervisors and foremen;
 - (b) 12 employees work in the administration department;



- (c) 6 employees work in the shop department and include foremen and mechanics;
 - (d) 4 employees work in operations (including me) and are operations and project managers; and
 - (e) 4 employees operate equipment.
32. JMB is a significant industrial services company in Bonnyville and just over half of the employees live in the Bonnyville area.

D. Material Contracts

33. JMB has a number of material contracts, including but not limited to the following:
- (a) Supply Agreement with the Municipal District of Bonnyville No. 87 for the production, hauling and stockpiling of crushed aggregate materials for use in road construction;
 - (b) Supply Agreement with the Alberta Municipal Affairs Special Areas Board for the crushing and stockpiling of aggregate materials; and
 - (c) Supply Agreement with Ellis Don Industrial Inc. for the supply and delivery of various crushed aggregate materials to a pipeline project, which agreement has been substantially performed by JMB.

IV. CURRENT STATUS OF THE COMPANY

A. Financial Statements

34. A copy of JMB's draft unaudited financial statements for the year ending December 31, 2018 is attached as **Exhibit "C"**. Work is still ongoing to finalize these financial statements, specifically in relation to the reconciliation and verification of inventory quantities and values reported for 2018 and prior years.



35. A copy of JMB's draft unaudited interim internal financial statements for the year ending December 31, 2019 is attached as **Exhibit "D"**. A copy of JMB's draft balance sheet for the two months ending February 29, 2020 is attached as **Exhibit "E"**.
36. As noted above, 216 became a wholly owned subsidiary in early 2019. The financial statements for 216 have not been finalized, as JMB is finalizing an internal fair market value assessment of the assets of 216 at the time of acquisition to facilitate the close of 216 financials and allow the consolidation into JMB to be completed.

B. Assets

37. As of February 29, 2020, the book value of JMB's assets was approximately \$60,540,485 (not including intercompany debt), including accounts receivable of approximately \$6,469,405, accrued receivables of approximately \$69,454, prepaid expenses and deposits of approximately \$248,268, contract costs of approximately \$231,935, inventory of approximately \$23,682,161 (of which \$23,373,343 is gravel and sand, and \$308,818 is parts), property, plant and equipment of approximately \$9,650,432, right of use assets (largely equipment leases used in trucking and production) of approximately \$3,110,143, and investments of approximately \$17,079,790.

C. Liabilities

38. As of February 29, 2020, JMB had total liabilities of approximately \$55,166,159, including accounts payable of approximately \$8,887,987, accrued liabilities of approximately \$1,342,209, indebtedness under the ATB Facilities (defined below) of approximately \$12,050,000, indebtedness to the Fiera Funds (defined below) of approximately \$19,451,381, and long term debt under the right of use agreement of approximately \$2,070,294.

ATB Credit Facilities

39. On or about April 20, 2017, JMB ULC, as borrower, and Eastside, as guarantor, entered into a commitment letter with ATB, as lender. This commitment letter was amended and restated pursuant to subsequent commitment letters dated August 29, 2017, December 19,

2017, May 24, 2018, September 27, 2018, and June 24, 2019 (collectively, the "**Prior ATB Commitment Letters**"). The Prior ATB Commitment Letters established an operating (revolving) loan facility (the "**ATB Operating Facility**") along with a corporate MasterCard, and cash management, foreign exchange, interest rate and commodity derivatives facilities (collectively with the ATB Operating Facility, the "**ATB Facilities**", with each being an "**ATB Facility**").

40. On October 16, 2019, JMB, as borrower, and Eastside and 216, as guarantors, entered into a commitment letter (the "**ATB Loan Agreement**") which further amended and restated the Prior Commitment Letters, pursuant to which ATB continued the ATB Operating Facility in the principal amount of \$13,500,000 and continued to offer the remaining ATB Facilities. Attached hereto as **Exhibit "F"** is a copy of the ATB Loan Agreement.
41. The indebtedness, liabilities and obligations of JMB to ATB under the ATB Loan Agreement are secured by the following security and guarantee documents:
- (a) General Security Agreement providing a first-ranking security interest over all present and after acquired personal property and a floating charge on all land, account receivables and inventory from JMB;
 - (b) Assignment of Insurance in favour of ATB from JMB;
 - (c) Unlimited Continuing Guarantee and Postponement and Assignment of Claims in favour of ATB from each of Eastside and 216; and
 - (d) General Security Agreement providing a security interest over all present and after acquired personal property from each of Eastside and 216.
42. As of February 29, 2020, the total amount outstanding under the ATB Loan Agreement is approximately \$12,050,000.

Integrated Credit Facility

43. Pursuant to a loan agreement dated March 28, 2017 (the "**Original Integrated Loan Agreement**") between Integrated as lender, JMB ULC as borrower, and Eastside as



guarantor, Integrated established a non-revolving term loan credit facility in the amount of \$14,000,000 (the "**Original Integrated Loan**").

44. The Original Integrated Loan Agreement as amended pursuant to a first amending agreement between Integrated, JMB ULC and Eastside dated June 21, 2017 creating an additional non-revolving term loan credit facility in the amount of \$4,000,000 (the "**Second Integrated Loan**"), and a second amending agreement dated June 7, 2018 between Integrated, JMB ULC and Eastside and Integrated creating an additional \$5,000,000 non-revolving term loan credit facility (the "**Third Integrated Loan**", and with the Original Integrated Loan and the Second Integrated Loan, the "**Integrated Loans**").
45. Integrated agreed to continue to provide the Integrated Loans following the amalgamation of JMB ULC and JMB on the terms and conditions set out in the amended and restated loan agreement made effective December 14, 2018 between JMB as borrower, Eastside as guarantor and Integrated as lender (the "**Integrated Loan Agreement**"). A blackline copy of the Integrated Loan Agreement which is substantially the same as the final version is attached hereto as **Exhibit "G"**.
46. The amounts advanced by Integrated under the Integrated Loans and other obligations of JMB to Integrated Loans were secured by the following security documents:
 - (a) General Security Agreement from JMB ULC providing a first-ranking security interest over all present and after acquired personal property other than account receivables and inventory;
 - (b) Assignment of Material Agreements from JMB ULC;
 - (c) Unlimited Guarantees and Postponements of Claim in favour of Integrated from Eastside;
 - (d) General Security Agreement from Eastside providing a first-ranking security interest over all present and after acquired personal property; and
 - (e) Assignment of Insurance in favour of Integrated from JMB ULC



(collectively, the "Integrated Security").

47. The amounts outstanding under the Integrated Loan Agreement are detailed below.

Priority Agreement between ATB and Integrated

48. On or about December 14, 2018, ATB and Integrated, as lenders, and JMB and Eastside, as debtors, entered into an amended and restated priority agreement in relation to specified collateral (the "Priority Agreement"). The Priority Agreement amended and restated a prior agreement between the parties dated May 31, 2017. The terms of the Priority Agreement provide that, *inter alia*:
- (a) The principal obligations owed by JMB to ATB under the ATB Facilities were not to exceed a specified amount, which after March 31, 2019 was \$10 million, or such other amount as may be agreed by the parties (the "ATB Debt Cap");
 - (b) ATB has priority over the inventory and accounts receivable of JMB and Eastside, as well as cash and cash proceeds used as cash collateral in connection with any letters of credit issued by ATB up to a maximum of \$100,000.00 in the aggregate (the "ATB Priority Collateral"); and
 - (c) Integrated has priority over all present and after acquired personal property of JMB and Eastside other than the ATB Priority Collateral.

A copy of the Priority Agreement is attached hereto as **Exhibit "H"**.

49. From time to time, the ATB Debt Cap has been amended by the parties. It is currently set at \$13,500,000, which will be reduced to \$10 million as of April 15, 2020. A copy of the letter agreement indicating same is attached hereto as **Exhibit "I"**.

Fiera Credit Facility

50. On October 21, 2019, Fiera, as lender, JMB, as borrower, and Eastside and 216, as guarantors, entered into a loan agreement (the "Fiera Loan Agreement"), pursuant to which Fiera granted a non-revolving term loan credit facility (the "Fiera Facility") in the



principal amount of \$2,500,000 to finance the acquisition of 216. Attached hereto as **Exhibit "J"** is a copy of the Fiera Loan Agreement.

51. Some time before the Fiera Facility was established, Fiera acquired Integrated and Integrated changed its name to Fiera Private Debt Fund V LP ("**FPDF**", and with Integrated and Fiera, the "**Fiera Funds**"). Both of the Fiera Funds have the same general partner, Fiera Private Debt Fund GP Inc. Fiera appointed FPDF as collateral agent and representative of Fiera for all security granted by JMB, 216, and Eastside in favour of Fiera or FPDF.
52. The Fiera Loan Agreement includes in its definition of indebtedness the aggregate of any amounts outstanding at any given time of all loans and advances made, or which may be made, by the Fiera Funds to JMB, including the loans and advances under the Integrated Loans and the Fiera Facility, as well as interest on such loans and advances and all related costs, charges and expenses of the Fiera Funds in relation to the Integrated Loans. The Fiera Loan Agreement also provides that the Integrated Security granted to Integrated pursuant to the Integrated Loans continues in full force and effect as valid and binding obligations of each of JMB, 216 and Eastside to FPDF.
53. The indebtedness, liabilities and obligations of JMB to Fiera Funds are secured by the following security and guarantee documents:
 - (a) General Security Agreement providing a first-ranking security interest over all present and after acquired personal property other than accounts receivable and inventory from JMB;
 - (b) Assignment of Material Agreements from JMB;
 - (c) Unlimited Guarantees and Postponements of Claim in favour of the Fiera Funds from each of Eastside and 216;
 - (d) General Security Agreement each of Eastside and 216 providing a first-ranking security interest over all present and after acquired personal property; and
 - (e) Assignment of Insurance in favour of the Fiera Funds.



54. As of February 29, 2020, the total amount outstanding under the Fiera Loan Agreement, including the Integrated Loans, is approximately \$19,255,392.

CARC Facility

55. In order to address the defaults under the ATB Loan Agreement and implement its business plan, JMB determined in January and February of 2020 that it required additional liquidity. CARC offered to provide financing for JMB's liquidity requirements. CARC intended to advance up to \$3,500,000 to JMB on a subordinated basis provided that ATB and Fiera consented to the financing and provided certain waivers and deferrals.
56. While the parties were in the process of discussing the terms under which the subordinated funding would be provided by CARC, JMB had immediate liquidity requirements and therefore CARC agreed to advance \$700,000 to JMB on the terms set out in a promissory note dated March 20, 2020 (the "**CARC Note**"). Attached hereto as **Exhibit "K"** is a copy of the CARC Note. The advance under the CARC Note bore interest at a rate of 10% per annum and was due and payable twelve months from the date of issuance of the CARC Note.
57. The CARC Note provided that the amounts advanced thereunder are secured by the following security and guarantee documents:
- (a) General Security Agreement providing a security interest over all present and after acquired personal and real property of JMB, Eastside and 216; and
 - (b) Unlimited Continuing Guarantee and Postponement and Assignment of Claims in favour of CARC from each of Eastside and 216.
58. The CARC Note is subject to a subordination and postponement agreement dated March 20, 2020 between CARC, JMB, Eastside, 216, ATB and Fiera (the "**Subordination Agreement**"), pursuant to which ATB and Fiera consented to the creation of indebtedness owed by JMB to CARC, provided that CARC postpone and subordinate that indebtedness in favour of ATB and Fiera. A copy of the Subordination Agreement is attached hereto as **Exhibit "L"**.



59. Because JMB was able to collect certain accounts receivable, JMB did not require the emergency advance under the CARC Note. The \$3.5 million subordinated financing also did not proceed, as JMB and ATB were unable to agree upon the timeline for ATB to be paid out.
60. In this period, JMB also carried out further financial modelling based on the assumption that a portion of its payables may be subject to builder lien claims, as its earlier modelling had not included this as a consideration. ATB, in determining the margins that should be applicable to JMB's accounts receivable for the purposes of determining availability under its operating loan to JMB, had not previously been subtracting accounts payable subject to potential lien claims. Once JMB recalculated the margins to provide for liens, it was determined that the \$3.5 million liquidity advance by CARC would be insufficient and that JMB would run out of cash in June 2020. As a result, management of JMB and RLH determined that it was necessary for the Applicants to seek CCAA protection in order to permit the reorganization and recapitalization of the business.
61. To date, no funds have been advanced under the CARC Note.

JLG Ball Enterprises Debt

62. JMB acquired 10 surface material leases from JLG Ball Enterprises ("**JLG Ball**") for a purchase price equal to \$15.5 million, of which JMB paid cash to JLG Ball equal to \$12.5 million and issued a promissory note in favour of JLG Ball in the principal amount of \$3,000,000, maturing five years from the date of issuance, and bearing interest at a rate equal to 5% per annum (the "**JLG Ball Note**").
63. The total amount outstanding under the JLG Ball Note is approximately \$3,138,082. To date, JMB has not paid anything under the JLG Ball Note, having sought and been granted forgiveness of payments to March 31, 2020.

Security Registrations

64. Now shown to me and marked as **Exhibit "M"** to this my Affidavit, but not attached hereto, are copies of searches of the Applicants of the Personal Property Registry in each of



Alberta, British Columbia and Saskatchewan (the "PPR Searches"). Attached hereto as Exhibit "N" is a summary of the PPR Searches.

Equipment Leases

65. JMB has entered into a number of equipment leases with various lessors, including:
- (a) Leases for heavy equipment with Caterpillar Financial Services Limited, Komatsu Financial, CAT Financial and Volvo Financial;
 - (b) Leases for operations vehicles from Ford Credit, Enterprise Fleet Management, Royal Bank of Canada and Tricor Lease & Finance Corp.;
 - (c) Leases for trucking equipment from BMO Transportation Finance and Wells Fargo;
 - (d) Leases for crushing equipment from General Electric, Proven Financial Group, and TD Equipment Finance;
- (collectively, the "Equipment Leases").
66. The total amount of all remaining payments under the Equipment Leases is approximately \$3,136,760 as of March 31, 2020. The Applicants' monthly equipment lease expense is approximately \$150,000.

CRA Audit

67. The Canada Revenue Agency ("CRA") is auditing the November 21, 2018 and December 14, 2018 tax returns submitted by JMB. JMB has been working with RSM Canada ("RSM") to comply with the CRA's requests for documentation. With the COVID-19 outbreak, compliance with the CRA's requests has become difficult, as RSM has closed its office and JMB has reduced the number of employees in its office. As a result, there are limited resources to collect the requested information, and the key people handling the audit are working remotely.
68. On or around March 18, 2020, RSM requested an extension of the deadline to submit all documentation required for the audit to May 29, 2020. The CRA has granted the extension.



Legal Proceedings

69. JMB has been named in a lawsuit commenced by a surface material lease owner for non-payment of amounts allegedly owed under an agreement permitting JMB to remove aggregate from the subject lands. The Statement of Claim was recently served, and no defence has yet been filed. The value of the aggregate located at the subject lands is approximately \$300,000. JMB is concerned that the agreement providing it access to the pits may be terminated as a result of this litigation.
70. In addition, there are two pending matters that may result in litigation.
71. JMB previously entered into an agreement with another company whereby JMB was to perform crushing services in exchange for earthmoving services. Following its performance of the earthmoving services, the other company demanded cash payment, rather than the previously agreed upon exchange of services. The other company also leases a property from a third party with whom JMB has an agreement for the storage of crushed aggregate at the same site. JMB had previously sold the stored aggregate and is to receive payment once the aggregate is removed from the site. The other company has blocked JMB's access to the site and is refusing to permit JMB to remove any of the stored gravel. The other company has threatened to seize the aggregate, which has an estimated value of \$1,000,000, far in excess of what the other company claims is owed to it.
72. JMB has also received a demand for payment of invoices issued by an owner of a gravel and aggregate pit for arrears of outstanding royalties. JMB disputes the amount claimed. The value of the aggregate and gravel in these pits is approximately \$6,100,000. JMB is concerned that it may lose access to the pits due to the royalty arrears and the potential litigation between it and the SML owner.
73. If a stay is not granted in the Applicants' favour, the Applicants anticipate that one or more of these parties may commence proceedings or exercise self-help remedies, thereby potentially eroding the security held by both ATB and the Fiera Funds and prejudicing their interests.



Advance from CARC

74. Because JMB was advised not to make any further drawdowns on the ATB Facilities, JMB required liquidity in order to fund its payroll due April 10, 2020. CARC advanced \$200,000 to JMB for this reason (the "CARC Advance"). This amount is in addition to the \$298,650 provided by CARC to cover JMB's payroll due March 10, 2020.
75. I am advised by counsel for the Applicants and do verily believe that funding the April 10, 2020 payroll with the CARC Advance was protective, preventing the loss of goodwill with JMB's employees. In the event that payroll was not funded, it is unclear that JMB would have been able to continue to operate because its employees may not have been willing to continue working. I am further advised that because arrears of wages are secured in part by charges under the *Bankruptcy and Insolvency Act* and unremitted withholding payments are subject to priority deemed trust protection, funding the payroll and withholding obligations prevented the erosion of ATB's security position.
76. The \$200,000 was advanced by CARC with the intent of covering the JMB payroll. However, funds came in from accounts receivable, which were used to cover the JMB payroll expense.
77. Accordingly, the Applicants believe that in the circumstances, it is fair that the CARC Advance be repaid out of cash flow, which is reflected in the draft Initial Order.

V. EVENTS LEADING TO APPLICANTS' CURRENT CIRCUMSTANCES

A. Acquisition of JMB by CARC/RLH

78. JMB's predecessor started as a small family run business in the 1970s. Over the past several years, we identified opportunities for significant growth and aggressively expanded our business through ongoing acquisitions of gravel resources, equipment and workforce. As noted above, JMB has become an established and well-known Alberta business with more than 100 units of equipment and significant supply contracts.
79. As part of this overall growth strategy, in or about November 2018, RLH acquired JMB through CARC (the "Transaction"). CARC was created as part of the Transaction, and is



a wholly owned subsidiary of RLH incorporated in the State of Delaware. Once the Transaction closed, RLH commenced a review of JMB's processes and procedures. Given the pace of JMB's growth to that point and its anticipated trajectory, it was determined that JMB needed to implement more robust financial reporting and modelling systems to enable a more detailed, granular analysis of its business and to satisfy various reporting requirements, including to RLH, as well as the maintenance of certain financial ratios. We also identified that increased financial controls were required.

80. To implement these systems, Jeff Ryks ("Mr. Ryks") was hired as Chief Financial Officer on April 8, 2019. The implementation required significant time and effort, as most of the books and records were stored in physical files and were not in electronic form. This made document retrieval and data analysis extremely time consuming. Mr. Ryks undertook the digitization of the books and records, as well as the implementation of better financial controls and systems, including modelling.
81. JMB is in the process of implementing a Microsoft Dynamics ERP system and has implemented in part a financial modelling system to permit costing of contract proposals and projects, permit management to determine where cost efficiencies can be, and permit the forecasting of variables affecting the costing of projects. JMB is able to review operations with a level of detail that was not previously possible, has a much better understanding of its cash flow problems and is able to implement specific and targeted steps to remedy these issues. I am confident that JMB's financial information and systems are now much more robust and reliable.

B. Restructuring of JMB

82. In 2019, JMB encountered issues meeting the cash flow projections delivered to its lenders due to a number of unforeseen events, including, but not limited to, the following:
- (a) Forest fires in the Wabasca region in May and June delayed completion of a \$10,000,000 project by more than two months, resulting in inefficiencies in the timing of other projects and greatly reducing JMB's utilization of its own trucking force;



- (b) The wettest summer in Northern Alberta since 1996 led to significant lost hauling and crushing days, which translated to greater per unit production costs and reduced utilization of JMB's trucking assets;
 - (c) The wet summer also led to the six-month delay of another \$10,000,000 project that JMB had secured;
 - (d) A major personnel overhaul at the Municipal District of Bonnyville, including a new Reeve and elected Council, Chief Administrative Officer, Director of Transportation, and 80% of staff within the Transportation and Utilities Department resulted in JMB having to re-crush the 2019 supply quantities and to fully deliver the 2019 gravel prior to receiving payment. As a result, JMB incurred approximately \$665,000 of additional expenses pertaining to increased subcontract trucking usage and a large increase in net working capital;
 - (e) Challenging weather, project delays, and slowing paving and energy markets led to increased collection cycles throughout the year;
 - (f) Litigation between the Rural Municipality of Wood Buffalo and its contractors (not including JMB) led to nearly a 12-month lag in payment to JMB of more than \$1,500,000 in accounts receivable;
 - (g) Energy customers extended payment terms from 45 to 90 days and refused to honor previous agreements to pay for crushing in advance due to decline in oil and gas prices; and
 - (h) The conversion to IFRS and other accounting changes created challenges in financial reporting, particularly with regards to restating prior periods, and useful and meaningful year-over-year comparisons. It also created substantial demands on the company's accounting department.
83. Because of the impact of these events on its business, JMB started a review its business operations using its new financial modelling tools. In February 2020, JMB finalized and implemented a plan to change JMB's business model to one where JMB primarily retains



subcontractors to crush and deliver the gravel and JMB handles management of the sales pipeline, acquisition of resources and management of logistics. Primary responsibility for aggregate production would be subcontracted to a few high-quality crushing companies, and a significant number of JMB's fixed assets would be sold to pay down existing debt. Initial steps have involved reducing the staff and management complement, as well as modifying how its trucking staff is remunerated for their work. JMB continues to review the trucking division to determine if additional changes will further assist in reducing costs and increasing profitability.

84. In or around February 2020, JMB started significantly reducing the size of its crushing division. In addition, JMB engaged an auctioneer to appraise its crushing equipment with a view to selling it.
85. The current global COVID-19 pandemic hastened the pace of the planned reductions in the crushing division. However, the pandemic, along with the states of emergency declared by the government of Alberta (on March 17, 2020) and others across North America has complicated and delayed the ongoing restructuring of the Applicants. The resulting public health orders requiring social distancing and the operation of only those businesses deemed essential services have negatively impacted the implementation of the business plan. Further, since early March, the availability of capital from investors and lenders has dropped precipitously and the pace of business across North America has significantly slowed or in some cases ceased all together.
86. Notwithstanding COVID-19, JMB has continued to perform its current contracts because this has mostly involved trucking aggregate to various locations, which can be done without breaching public health requirements. JMB has also temporarily laid off a few employees, and those employees left in the crushing division are self-isolating at home. As noted above, most of those employees who are still employed are working remotely. It is unclear at this time whether further public health or other orders will be made that could affect JMB's operations.
87. JMB had historically enjoyed good relationships with its lenders. However, missed projections, difficulties in providing accurate financial reporting, and a delayed audit



resulting in ATB issuing a default notice on December 13, 2019 to JMB, Eastside and 216 (the "Default Notice") relating to financial reporting, the maintenance of financial ratios, and the existence and registration of a letter of credit facility from Canadian Western Bank and related security. The Default Notice required that the defaults be cured no later than January 15, 2020. On December 23, 2019, ATB issued an extension to the Default Notice with a new cure date of January 31, 2020 (the "Default Notice Extension"). Copies of the Default Notice and Default Notice Extension are attached hereto as Exhibits "O" and "P" respectively.

88. On January 29, 2020, ATB agreed to extend the deadline in the Default Notice Extension to March 31, 2020, provided that: (a) JMB and 216 (collectively, the "ATB Loan Parties") engage Ernst & Young Inc. to carry out a financial review ("EY"); (b) certain amendments were made to the ATB Loan Agreement; (c) the ATB Loan Parties did not commit any further defaults under the ATB Loan Agreement; and (d) Fiera and each of the ATB Loan Parties provides written consent to extend to March 31, 2020 the \$13,500,000 ATB Debt Cap (as that term is defined in the Priority Agreement). The Loan Parties agreed to these conditions. Attached hereto as Exhibit "Q" is a copy of the letter from ATB providing the extension.
89. JMB engaged EY on January 28, 2020 to provide a financial review of JMB and of ATB's and Fiera's risk. Among other things, EY was to:
- (a) Review JMB's cash flow projections in relation to both the 13-week period from the date of engagement and a monthly projection thereafter up to June 30, 2020;
 - (b) Test and report on the reasonableness of the underlying assumptions used in the preparation of these forecasts;
 - (c) Review all contracts (current, pending and potential), their inclusion in the cash flow projections provided, and the reasonability of their gross profit margin assumptions;
 - (d) Review JMB's accounting systems, internal controls and records management;



- (e) Review JMB's equipment assets, business operations and aggregate reserves and the value, condition and maintenance of same; and
 - (f) Estimate the value in relation to both ATB's and Fiera's security positions.
90. Management attempted to provide information on request to the EY team, including our financial information and books and records, and made best efforts to ensure that the information being provided was complete and accurate. Management attempted to provide updated information when required, to make itself available to the EY team when requested, and were not made aware of outstanding requests for information that had not been addressed.
91. A redacted report was provided by EY to JMB on March 18, 2020 (the "EY Report"). Although the EY Report identified matters that were of concern to ATB, ATB agreed to provide JMB with a further extension of the deadline under the Default Notice Extension to April 15, 2020 in light of JMB's effort to explore possible financing and restructuring alternatives to address those concerns. A copy of the letter is attached hereto as Exhibit "I".
92. With the assistance of FTI, the proposed Monitor, JMB determined that the proposed injection of \$3.5 million by CARC would be insufficient to resolve JMB's financial difficulties and JMB would run out of cash by June 2020 without a stay of proceedings and interim financing.

C. Restructuring Plan and SISF

93. As noted above, the Applicants started a process to investigate, evaluate and consider possible financing and restructuring alternatives in late 2019, and have taken steps to implement that plan.
94. JMB presented its plan to ATB and the Fiera Funds. Fiera Funds was supportive of the shift in JMB's business model and the injection of additional funds by CARC. As noted above, however, ATB requested that JMB refinance the ATB Facilities but JMB and ATB were unable to agree upon the appropriate timeframe within which the refinancing had to



be accomplished. Notwithstanding this, in order to accommodate discussions, ATB provided JMB with a further extension to permit JMB additional time to address the concerns identified. As noted above, that extension ends April 15, 2020.

95. The Applicants seek a stay of proceedings to give them a reasonable time within which to market and either sell, recapitalize or seek investment in JMB pursuant to a SISP and, if appropriate, implement a plan under the CCAA. If the Initial Order is granted, the Applicants will in consultation with the Monitor, ATB and Fiera prepare a SISP, assist the Monitor in preparing to launch the SISP, and as soon as possible following the extension of the initial 10-day stay period, if the Court deems it appropriate, the Monitor would launch the SISP. At the comeback application after the initial 10-day stay period, the Applicants anticipate seeking approval of the SISP. It is intended that the SISP would be launched shortly after Court approval, and would be as expeditious as possible in the circumstances.
96. In order to commence the various steps outlined above, the Applicants seek a 10-day stay pursuant to section 11.02(1) of the CCAA and anticipate seeking a further extension of three months at the comeback hearing to be held pursuant to section 11.02(2) of the CCAA. The Applicants also anticipate seeking approval of their proposed SISP at the comeback hearing.
97. Given the benefit of time and access to working capital, the Applicants' cash flows demonstrate an ability to repay the amounts required by way of interim financing.

VI. THE APPLICANTS MEET THE CCAA STATUTORY REQUIREMENTS

A. The Applicants are "Companies" under the CCAA

98. The Applicants are both companies to which the CCAA applies.

B. The Applicants have Claims against them in Excess of \$5,000,000

99. As discussed above, each of the Applicants has claims against them in excess of \$5 million.

C. The Applicants are Insolvent

100. As discussed above, the cure period provided by the Default Notice Extension expires on April 15, 2020. If the relief requested herein is not granted, the Applicants expect that ATB will take enforcement action in the near term and that other creditors may also seek remedies against the Applicants. The Applicants do not have sufficient liquidity to pay the accelerated amounts that would be due to ATB or the Fiera Funds. Accordingly, the Applicants would be unable to meet their obligations as they come due.

VII. RELIEF SOUGHT

101. As discussed above, the Applicants do not have sufficient liquidity to repay all amounts owing in respect of the ATB Facilities, the Integrated Loans and the Fiera Facility, all of which could become due and owing imminently, but for the continued *de facto* forbearance of their creditors, or the relief sought herein. Accordingly, a stay of proceedings is required.

A. Stay of Proceedings

102. The Applicants require a stay of proceedings to:
- (a) Maintain the status quo in order to preserve the value of the Applicants, their Property, and to ensure that no creditor of the Applicants obtains preferred treatment relative to other creditors; and
 - (b) Provide the Applicants with the opportunity to finalize the arrangements and agreements necessary to be able to formally present a CCAA Plan for approval by their creditors and this Honourable Court.

B. Appointment of Monitor

103. I believe that FTI is qualified and competent to act as appointed Monitor for these proceedings. FTI has consented to act as Monitor and its signed Consent to Act is attached hereto as **Exhibit "R"**.
104. While undergoing its operations review, JMB recognized the need for an external financial advisor to assist with the review and the implementation of further changes. JMB also



recognized that it needed to ensure that the interests of JMB's lenders would not be harmed in the result.

C. Administration Charge

105. It is contemplated that the Monitor, counsel for the Monitor and counsel for the Applicants would be granted a first priority Court-ordered charge against the Property of the Applicants in priority to all other charges (the "**Administration Charge**") to secure obligations owing in respect of the fees and expenses incurred by such parties. The proposed Initial Order provides for an Administration Charge up to the maximum amount of \$300,000. The Applicants believe that the Administration Charge is fair and reasonable in the circumstances.

106. The Applicants require the expertise, knowledge and continuing participation of the proposed beneficiaries of the Administration Charge in order to complete a successful restructuring. I believe the Administration Charge is necessary to ensure their continued participation.

D. Interim Financing

107. As noted above, the Applicants require access to capital in order to continue their operations during these proceedings and to pursue restructuring options either through the SISP or an alternative arrangement with their stakeholders.

108. Attached as **Exhibit "S"** hereto are the weekly cash flow projections for the Applicants on a consolidated basis (the "**Cash Flow Projections**") commencing the week ending April 17, 2020 and ending the week ending June 26, 2020. As set out therein, the Applicants will principally be using cash during these proceedings to pay ongoing day-to-day operational expenses, office expenses, and professional fees and disbursements in connection with these proceedings.

109. The cash flow forecast projects that the Applicants will need additional credit during these proceedings, particularly given the current depressed economy and the effect of the COVID-19 pandemic on the availability of investment capital or refinancing. Without



interim financing, the Applicants have no means to cover all of their expenses during these proceedings, and will not be able to carry on business, to the detriment of their stakeholders.

110. CARC has agreed to provide an interim lending facility pursuant to the terms of the executed term sheet attached hereto as **Exhibit "T"** (the "**Interim Financing Term Sheet**"), which will serve as the basis for a credit agreement (the "**Interim Financing Agreement**") to be negotiated and settled with CARC following the Initial Order if granted by this Honourable Court. As indicated above, ATB has also indicated that it wishes to provide interim financing in the event that its concerns with respect to the Applicants' CCAA proceedings can be addressed. This matter is still under discussion.
111. The key terms of the Interim Financing Term Sheet are:
 - (a) CARC shall provide the Interim Financing by way of a revolving first priority interim credit facility to a maximum amount of \$1,300,000. The interim credit facility shall bear interest at a rate of 10% per annum, calculated and compounded daily and payable monthly on the last business day of each month;
 - (b) The Interim Financing shall be secured by a charge created by the Initial Order against all of the Applicants' Property (the "**Interim Lender's Charge**"), which shall rank in priority to all other mortgages, charges, security interests, liens, trust claims, or other encumbrances, other than the Administration Charge;
 - (c) The Interim Financing shall be used to fund the working capital requirements of the Applicants during these CCAA proceedings and shall not be used to pay indebtedness of the Applicants that arose prior to the commencement of the proceedings, except as permitted by the Court or contemplated by the Cash Flow Projections; and
 - (d) The term of the Interim Financing shall terminate on the earlier of: (i) the last banking day of the twelfth month following the commencement of these CCAA proceedings; (ii) the implementation of a plan of arrangement or compromise; (iii) the completion of a recapitalization or sale of substantially all of the Applicants' assets pursuant to the SISP; (iv) the termination of these CCAA proceedings; or (v)



the occurrence of an event of default as defined in the Interim Financing Term Sheet.

112. Based on the Cash Flow Projections, the requirement for Interim Financing during the initial 10-day stay period is not expected to exceed \$90,000 for the first week and \$360,000 for the second week. The intent is to limit the Interim Financing during the initial 10-day period to what is necessary to preserve the value of JMB's business and the Applicants' assets, as well as to permit the Applicants to finalize the proposed SISP. The Applicants, CARC and ATB are negotiating the terms of the interim financing in the initial 10-day period and thereafter in the hopes of achieving a consensus.
113. Access to Interim Financing, including approval of the Interim Lender's Charge, is crucial to enable the Applicants to proceed with a successful restructuring. Given their current financial situation, the Applicants believe that:
- (a) The proposed interim financing is the only feasible alternative available to them;
 - (b) The terms contained within the Interim Financing Term Sheet are fair, reasonable and adequate; and
 - (c) They will be unable to obtain interim financing for these proceedings on an unsecured basis, as ATB and Fiera have security over substantially all of the Applicants' assets.
114. Accordingly, the Applicants believe that the Interim Financing Term Sheet, the proposed Interim Lenders' Charge and the related grant of security interests are fair and reasonable in the circumstances, are necessary, and are in the best interests of all of the Applicants' stakeholders.

E. Directors' and Officers' Charge

115. It is contemplated that the Applicants' directors and officers would be granted a priority Court-ordered charge (the "Directors' Charge") on the Property of the Applicants in priority to all other charges, other than the Administration Charge and the Interim



Financing Charge, up to a maximum initial amount of \$250,000. The Applicants believe that the Directors' Charge is fair and reasonable in the circumstances.

116. The Directors' Charge is intended to address potential claims that may be brought against directors and officers that are not covered under existing insurance described below or to the extent coverage is insufficient to cover such claims.
117. A successful restructuring of the Applicants will only be possible with the continued participation of the Applicants' directors and officers. These individuals have specialized expertise and relationships with the Applicants' stakeholders. In addition, the directors and officers have gained significant knowledge that cannot be easily replicated or replaced.
118. The quantum of the Directors' Charge was developed with the assistance and support of the proposed Monitor, and is supported by CARC.
119. The Applicants maintain insurance policies in relation to the potential liability of their directors and officers (the "**D&O Insurance Policies**"). Although the D&O Insurance Policies insure the directors and officers of the Applicants for certain claims that may arise against them in their capacity as directors and/or officers of the Applicants, coverage is subject to several exclusions and limitations, including, *inter alia*, certain employee and statutory obligations. As a result, there is a potential for insufficient insurance coverage in respect of potential director and officer liabilities. The directors and officers of the Applicants have expressed their desire for certainty with respect to potential personal liability if they continue in their current capacity in the context of a CCAA proceeding.

VIII. CASH FLOW PROJECTIONS

120. As noted above, the weekly Cash Flow Projections for the Applicants commencing the week of April 13, 2020 and ending the week of June 22, 2020 are attached hereto as Exhibit "T". The Applicants' management team and their advisors have worked with the proposed Monitor to prepare the Cash Flow Projections.
121. In order to be able to collect upon accounts receivable related to ongoing projects, certain amounts payable prior to the date of the Initial Order may have to be paid in order to secure



the release of those funds, and in order to permit the completion of ongoing projects without disruption. Such payments would be limited to what is necessary in order to preserve value and would be under the supervision of the Monitor.

IX. ENHANCED POWERS FOR MONITOR


122. The Applicants also seek enhanced powers for the Monitor. Specifically, the Applicants seek an Order authorizing and empowering the Monitor to:


- (a) Monitor all expenditures of the Applicants and approve any material expenditures;
- (b) Monitor and run the SISP and all bids made therein; and
- (c) Seek input into various aspects of these CCAA proceedings directly from ATB and Fiera.

123. I swear this Affidavit in support of an Application for the relief set out in paragraph 4 of this Affidavit and for no other or improper purpose.

124. I was not physically present before the Commissioner for Oaths, but was connected to him by video technology and followed the process for remote commissioning.

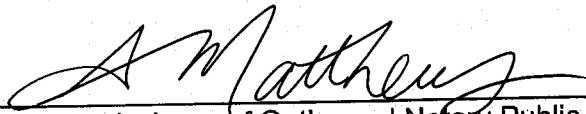
SWORN (~~OR AFFIRMED~~) BEFORE ME)
at Calgary, Alberta, this 16th day of April,)
2020.)


A Commissioner for Oaths/Notary Public)
in and for the Province of Alberta)


JEFF BUCK)

**Alex Matthews
Barrister & Solicitor**

THIS IS EXHIBIT "A" REFERRED TO IN
THE AFFIDAVIT OF JEFF BUCK
SWORN BEFORE ME
THIS 16 DAY OF APRIL, 2020


A Commissioner of Oaths and Notary Public
in and for the Province of Alberta

Alex Matthews
Barrister & Solicitor



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

Date of Search: 2020/04/06
 Time of Search: 08:39 AM
 Search provided by: GOWLING WLG (CANADA) LLP/GOWLING WLG (CANADA) S.E.N.C.R.L.
 Service Request Number: 33264427
 Customer Reference Number: A163514/S. CORRIGAN

Corporate Access Number: 2121620518
 Business Number:
 Legal Entity Name: JMB CRUSHING SYSTEMS INC.

Legal Entity Status: Active
 Extra-Provincial Type: Other Prov/Territory Corps
 Registration Date: 2018/12/19 YYYY/MM/DD
 Date Of Formation in Home Jurisdiction: 2018/12/14 YYYY/MM/DD
 Home Jurisdiction: BRITISH COLUMBIA
 Home Jurisdiction CAN: BC1190335

Primary Attorney:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code
SCHWARTZ	CAMRON	D.	OGILVIE LLP	1400 - 10303 JASPER AVE NW	EDMONTON	ALBERTA	T5N3Y4

Head Office Address:
 Street: SUITE 2600, 595 BURRARD STREET, PO BOX 49314
 City: VANCOUVER
 Province: BRITISH COLUMBIA
 Postal Code: V7X1L3
 Country: CANADA
 Email Address: VAN.CORPORATESERVICES@BLAKES.COM

Holding Shares In:

Legal Entity Name



4/6/2020

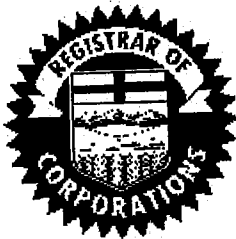
2161889 ALBERTA LTD.

Other Information:

Filing History:

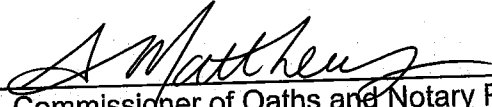
List Date (YYYY/MM/DD)	Type of Filing
2018/12/19	Register Extra-Provincial Profit / Non-Profit Corporation
2018/12/19	Change Address
2019/03/20	Change Attorney

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



A handwritten signature in black ink, appearing to be "J.B.", is located in the bottom right corner of the page.

THIS IS EXHIBIT "B" REFERRED TO IN
THE AFFIDAVIT OF JEFF BUCK
SWORN BEFORE ME
THIS 16 DAY OF APRIL, 2020


A Commissioner of Oaths and Notary Public
in and for the Province of Alberta

Alex Matthews
Barrister & Solicitor



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

Date of Search: 2020/04/06
Time of Search: 09:13 AM
Search provided by: GOWLING WLG (CANADA) LLP/GOWLING WLG (CANADA)
S.E.N.C.R.L.
Service Request Number: 33264732
Customer Reference Number: A163514/A. Elms

Corporate Access Number: 2021618893
Business Number: 718353683
Legal Entity Name: 2161889 ALBERTA LTD.

Legal Entity Status: Active
Alberta Corporation Type: Numbered Alberta Corporation
Registration Date: 2018/12/18 YYYY/MM/DD

Registered Office:

Street: 1400-10303 JASPER AVE NW
City: EDMONTON
Province: ALBERTA
Postal Code: T5J3N6

Records Address:

Street: 1400-10303 JASPER AVE NW
City: EDMONTON
Province: ALBERTA
Postal Code: T5J3N6

Email Address: RETURNS@OGILVIELAW.COM

Directors:

Last Name: BUCK
First Name: JEFFREY
Middle Name: MICHAEL
Street/Box Number: PO BOX 6977
City: BONNYVILLE
Province: ALBERTA
Postal Code: T9N2H4

4/6/2020

Last Name: LEVKULICH
First Name: BYRON
Street/Box Number: 1400 - 16 STREET, SUITE 320
City: DENVER
Province: COLORADO
Postal Code: 80202

Voting Shareholders:

Legal Entity Name: JMB CRUSHING SYSTEMS INC.
Corporate Access Number: 2121620518
Street: PO BOX 6977
City: BONNYVILLE
Province: ALBERTA
Postal Code: T9H2H4
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE SCHEDULE "A" ATTACHED HERETO
Share Transfers Restrictions: SEE SCHEDULE "B" ATTACHED HERETO
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE SCHEDULE "C" ATTACHED HERETO

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2019	2020/02/24

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2018/12/18	Incorporate Alberta Corporation



4/6/2020

2019/03/28	Change Director / Shareholder
2019/04/25	Change Address
2020/02/23	Update BN
2020/02/24	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

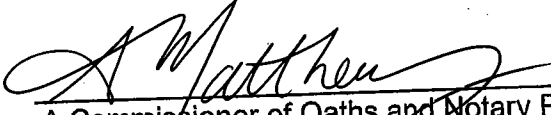
Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2018/12/18
Restrictions on Share Transfers	ELECTRONIC	2018/12/18
Other Rules or Provisions	ELECTRONIC	2018/12/18

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



[Handwritten signature]

THIS IS EXHIBIT "C" REFERRED TO IN
THE AFFIDAVIT OF JEFF BUCK
SWORN BEFORE ME
THIS 16 DAY OF APRIL, 2020


A Commissioner of Oaths and Notary Public
in and for the Province of Alberta

Alex Matthews
Barrister & Solicitor



JMB CRUSHING SYSTEMS INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018



CONTENTS

Independent Auditor's Report	1-2
Balance Sheet	3
Statement of Deficit	4
Statement of Operations	5
Statement of Cash Flows	6
Notes to the Financial Statements	7-14



ST. ARNAUD PINSENT STEMAN

CHARTERED PROFESSIONAL ACCOUNTANTS

Daniel J. St. Arnaud, CPA, CA**
John H.C. Pinsent, FCPA, FCA, ICD.D**
Bernardus C. Steman, CPA, CA, CFA**

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of JMB Crushing Systems Inc.

Opinion

We have audited the accompanying financial statements of JMB Crushing Systems Inc. (the "Company"), which comprise the balance sheet as at December 31, 2018, and the statements of deficit, operations and cash flows for the year then ended and summary of significant accounting policies and other explanatory information. In our opinion the financial statements present fairly, in all material respects, the financial position of JMB Crushing Systems Inc. as at December 31, 2018, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for private enterprises and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concerns and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

John H.C. Pinsent Professional Corporation

John H. C. Pinsent Professional Corp.
Chartered Professional Accountant

August 15, 2019
Edmonton, Alberta

The accompanying notes are an integral part of these financial statements.



JMB CRUSHING SYSTEMS INC.

BALANCE SHEET

AS AT DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u>
ASSETS		
CURRENT		
Accounts receivable	\$ 12,153,188	\$ 10,789,436
Inventory (note 3)	20,542,257	13,570,857
Deposits and prepaid expenses	<u>145,276</u>	<u>3,282,458</u>
	32,840,721	27,642,751
PROPERTY AND EQUIPMENT (note 4)	9,181,508	9,848,928
LONG TERM INVESTMENTS	550,000	550,000
LONG TERM DEPOSITS	1,740,961	941,911
DUE FROM RELATED PARTY	<u>3,207,070</u>	<u>2,638,388</u>
	<u>47,520,260</u>	<u>41,621,978</u>
LIABILITIES		
CURRENT		
Bank indebtedness	116,465	715,663
Accounts payable and accrued liabilities	7,641,847	6,818,181
Corporate income taxes payable	-	61,947
Employment taxes payable	382,197	444,960
Goods and services taxes payable	116,061	234,152
Accrued site reclamation costs (note 5)	-	70,189
Current portion of obligation under capital lease (note 6)	34,693	133,407
Current portion of long term debt (note 7)	<u>11,097,667</u>	<u>12,086,029</u>
	19,388,930	20,564,528
OBLIGATIONS UNDER CAPITAL LEASE (note 6)	-	35,073
LONG TERM DEBT (note 7)	16,448,791	14,599,432
LONG TERM PAYABLE (note 10)	-	400,000
FUTURE INCOME TAXES	<u>841,562</u>	<u>624,798</u>
	36,679,283	36,223,831
CONTINGENCIES AND COMMITMENTS (note 8)		
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (note 9)	2,370,136	2,370,136
CONTRIBUTED SURPLUS (note 11)	11,113,270	1,342,883
RETAINED EARNINGS (DEFICIT)	<u>(2,642,429)</u>	<u>1,685,128</u>
	10,840,977	5,398,147
	<u>47,520,260</u>	<u>41,621,978</u>

The accompanying notes are an integral part of these financial statements.



JMB CRUSHING SYSTEMS INC.
STATEMENT OF DEFICIT
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u>
RETAINED EARNINGS - beginning of year	\$ 1,685,128	\$ 1,941,952
Net loss for the year	<u>(4,327,557)</u>	<u>(256,824)</u>
RETAINED EARNINGS (DEFICIT) - end of year	<u><u>(2,642,429)</u></u>	<u><u>1,685,128</u></u>

The accompanying notes are an integral part of these financial statements.



JMB CRUSHING SYSTEMS INC.
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u>
REVENUE		
Gravel crushing	\$ 7,577,805	\$ 5,575,178
Gravel sales & JMB trucking	19,203,885	21,139,185
Hired trucking	<u>4,701,667</u>	<u>5,576,874</u>
	31,483,357	32,291,237
DIRECT COSTS		
Gravel crushing	(5,629,391)	(4,772,286)
Gravel sales & JMB trucking	(11,365,088)	(11,739,241)
Hired trucking	<u>(4,397,348)</u>	<u>(4,997,001)</u>
	<u>(21,391,827)</u>	<u>(21,508,528)</u>
	10,091,530	10,782,709
GROSS PROFIT		
EXPENSES		
Advertising and promotion	4,230	9,132
Amortization	2,479,357	2,321,445
Automotive	417,083	332,798
Equipment rentals	97,775	84,325
Insurance	273,600	298,596
Interest and bank charges	401,685	57,134
Interest on long-term debt	1,801,833	1,779,619
Licenses, fees and dues	254,841	305,712
Management salaries (note 10)	501,167	527,243
Meals and entertainment	-	213
Office	370,214	296,822
Professional fees	386,285	560,370
Rent	416,000	428,186
Repairs and maintenance	561,211	543,024
Shop supplies	364,940	273,062
Telephone	123,046	104,918
Travel	47,107	57,221
Wages and benefits	<u>1,824,486</u>	<u>1,590,609</u>
	<u>10,324,860</u>	<u>9,570,429</u>
	(233,330)	1,212,280
NET INCOME (LOSS) BEFORE OTHER ITEMS		
OTHER ITEMS		
Transaction fees	(1,257,887)	-
Loss on PIT development	(2,860,410)	(1,222,004)
Gain (loss) on foreign exchange	240,834	(196,148)
Loss on disposition of equipment	-	(473)
	<u>(3,877,463)</u>	<u>(1,418,625)</u>
	(4,110,793)	(206,345)
NET LOSS BEFORE INCOME TAXES		
Income taxes - current	-	59,168
Income taxes (recovery) - future	<u>216,764</u>	<u>(8,689)</u>
NET LOSS FOR THE YEAR	<u>(4,327,557)</u>	<u>(256,824)</u>

The accompanying notes are an integral part of these financial statements.

JMB CRUSHING SYSTEMS INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u>
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Net loss from continuing operations	\$ (4,327,557)	\$ (256,824)
Items not affecting cash flows		
Amortization	2,479,357	2,321,445
Loss on sale of asset	-	473
Future income taxes (recovery)	<u>216,764</u>	<u>(8,689)</u>
	(1,631,436)	2,056,405
Changes in non-cash working capital balances		
Accounts receivable	(1,363,752)	(3,476,275)
Goods and services taxes payable	(118,091)	111,480
Prepaid expenses	2,338,132	(1,403,395)
Inventory	(6,971,400)	(3,291,768)
Accounts payable and accrued liabilities	690,714	922,095
Due to (from) related party	(568,682)	3,768
Corporate income taxes	(61,947)	61,947
	<u>(6,055,026)</u>	<u>(7,072,148)</u>
	(7,686,462)	(5,015,743)
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		
Contributed surplus (note 11)	9,770,387	-
Proceeds from disposal of equipment	-	100,000
Purchase of equipment	<u>(1,811,938)</u>	<u>(4,521,204)</u>
	7,958,449	(4,421,204)
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		
Changes in revolving loans	614,171	9,027,774
Repayment on long term loans	(4,900,136)	-
Proceeds from long term loans	5,146,963	-
Repayment on long term payable	(400,000)	(233,599)
Repayment on obligation under capital lease	<u>(133,787)</u>	<u>(285,386)</u>
	327,211	8,508,789
Net increase (decrease) in cash during the year	599,198	(928,158)
CASH (BANK INDEBTEDNESS) - beginning of the year	<u>(715,663)</u>	<u>212,495</u>
BANK INDEBTEDNESS - end of the year	<u><u>(116,465)</u></u>	<u><u>(715,663)</u></u>

The accompanying notes are an integral part of these financial statements.



JMB CRUSHING SYSTEMS INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

1. OBJECTIVES OF THE COMPANY

JMB Crushing Systems Inc. (the "Company") was incorporated under the Alberta Business Corporations Act and resulted from the amalgamation of JMB Crushing Systems ULC. and JMB Crushing Systems Inc. on December 14, 2018. The Company operates a gravel crushing, gravel sales and trucking business under the tradename "Quantum".

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These financial statements have been prepared in accordance with Canadian accounting standards for private enterprises and include the following significant accounting policies:

Revenue Recognition

The Company recognizes revenue upon delivery of product or completion of services rendered, provided that at the time of performance ultimate collection is reasonably assured.

Measurement Uncertainty

The preparation of financial statements in accordance with Canadian accounting principles for private enterprises requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Income Taxes

The Company follows the future income taxes payable method of income tax allocation. Under this method, future income taxes are recognized for the future income tax consequences attributable to differences between the carrying values of assets and liabilities and their respective income tax basis. Future income tax assets and liabilities are measured using substantively enacted income tax rates expected to apply to taxable income in the years in which temporary differences are expected to be recovered or settled. The effect on future income tax assets and liabilities of a change in rates is included in earnings in the period that includes the date of substantial enactment. Future income tax assets are recorded in the financial statements if realization is considered more likely than not.

Investments

The Company accounts for long term investments using the cost method where the investment is initially recorded at cost and earnings from such investments are recognized only to the extent that they are received or receivable.

Inventory

Inventories are measured at the lower of cost and net realizable value, with cost being determined using the weighted average cost at the point of sale. Net realizable value is the estimated selling price in the ordinary course of business, less any applicable variable selling costs.

The accompanying notes are an integral part of these financial statements.



JMB CRUSHING SYSTEMS INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of Long-Lived Assets

Long-lived assets are tested for impairment whenever events or changes in circumstances indicate that carrying amounts may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

Property and Equipment

Property and equipment are stated at cost less accumulated amortization. Amortization is recorded to amortize the cost of the assets over their estimated useful lives and is calculated at one-half of the annual rate in the year of purchase. Amortization is recorded using the following rates and methods:

Automotive equipment	25%	declining balance
Computer	30%	declining balance
Crushing equipment	15%	declining balance
Furniture and fixtures	20%	declining balances
Leasehold improvements		Straight-line over the useful life
Equipment under capital lease	25%	declining balance
Tires		Straight-line over the useful life

Assets under Capital Lease

Leases which transfer substantially all the benefits and risks of ownership of the leased assets to the Company are capitalized. Assets under capital leases are amortized over their estimated useful lives using the same rates and basis used for similar assets.

Financial Instruments

Measurement of financial instruments

The Company initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The Company subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include the bank indebtedness, accounts payable, demand loans, obligation under capital lease and long-term debt.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of any write-down is recognized in net income in the year an impairment is identified. Any previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

The accompanying notes are an integral part of these financial statements.



JMB CRUSHING SYSTEMS INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Transaction costs

The entity recognizes its transaction costs in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

The Company is exposed to the following risks arising from these financial instruments:

Credit Risk

Financial instruments that subject the Company to credit risk consist primarily of cash and accounts receivable. The Company maintains an allowance for estimated credit losses. The Company sell products to a diverse client base in the construction industry and its credit risk is not concentrated in any one particular client or geographic region.

Interest Rate Risk

The Company is subject to interest rate risk to the extent that its credit facilities are based on floating rates of interest.

3. INVENTORY

	<u>2018</u>	<u>2017</u>
Gravel	\$20,264,808	\$13,262,002
Parts	<u>277,449</u>	<u>308,855</u>
	<u>\$20,542,257</u>	<u>\$13,570,857</u>

4. PROPERTY AND EQUIPMENT

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2018</u> Net Book Value	<u>2017</u> Net Book Value
Land	\$ 250,000	\$ -	\$ 250,000	\$ 250,000
Automotive	12,028,134	7,296,777	4,731,357	5,630,011
Computer	113,714	91,586	22,128	28,164
Crushing equipment	6,527,298	3,821,699	2,705,599	2,948,855
Furniture and fixtures	86,365	54,991	31,374	29,218
Leasehold improvements	1,106,137	863,892	242,245	254,555
Equipment under capital lease	2,100,070	1,194,707	905,363	531,131
Tires	<u>974,158</u>	<u>680,716</u>	<u>293,442</u>	<u>176,994</u>
	<u>\$23,185,876</u>	<u>\$14,004,368</u>	<u>\$ 9,181,508</u>	<u>\$ 9,848,928</u>

Amortization of equipment under capital lease for the year was \$205,213 (2017 - \$168,027).

The accompanying notes are an integral part of these financial statements.



JMB CRUSHING SYSTEMS INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

5. ACCRUED SITE RECLAMATION COSTS

The Company is obligated to reclaim gravel pit sites following extraction of saleable gravel from the sites. It is management's practice to reclaim pit sites as the sites are being developed, rather than defer reclamation until completion of extraction.

6. OBLIGATIONS UNDER CAPITAL LEASE

	<u>2018</u>	<u>2017</u>
Obligation under capital lease bearing interest at 3.35% per annum, repayable in monthly payments of \$12,774. The lease is secured by specific equipment and was completed September 2018.	\$ -	\$ 101,302
Obligation under capital lease bearing interest at 5.87% per annum, repayable in monthly principal and interest payments of \$2,964. The lease is secured by specific equipment and is due December 2019.	<u>34,693</u>	<u>67,178</u>
	34,693	168,480
	<u>34,693</u>	<u>133,407</u>
Less: current portion of obligations under capital lease	<u>\$ -</u>	<u>\$ 35,073</u>

7. LONG TERM DEBT

	<u>2018</u>	<u>2017</u>
Finance contract bearing interest at 2.49% per annum, repayable in monthly principal and interest payments of \$862. The financing is secured by specific equipment and expires in August 2021.	\$ 26,693	\$ 36,220
Ford credit facility bearing interest at 7.69% per annum, repayable in monthly principal and interest payments of \$456. The financing is secured by specific equipment and expires in October 2023.	21,400	-
Ford credit facility bearing interest at 7.69% per annum, repayable in monthly principal and interest payments of \$456. The financing is secured by specific equipment and expires in October 2023.	21,400	-
Ford credit facility bearing interest at 7.69% per annum, repayable in monthly principal and interest payments of \$456. The financing is secured by specific equipment and expires in October 2023.	21,400	-
Ford credit facility bearing interest at 7.69% per annum, repayable in monthly principal and interest payments of \$456. The financing is secured by specific equipment and expires in October 2023.	21,400	-

The accompanying notes are an integral part of these financial statements.

JMB CRUSHING SYSTEMS INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

7. LONG TERM DEBT (CONTINUED)

<p>Ford credit facility bearing interest at 7.69% per annum, repayable in monthly principal and interest payments of \$456. The financing is secured by specific equipment and expires in October 2023.</p>	21,400	-
<p>ELRUS Aggregate Systems finance contract bearing a floating interest rate equal to the Bank prime rate plus 6.5% The financing is set to mature in April 2019 and is secured by specific equipment.</p>	315,012	-
<p>ATB revolving credit facility up to \$11,000,000, bearing a floating interest rate equal to the Bank prime rate plus 1.25%. This credit facility is payable in full on demand by the Bank and is secured by a general security agreement over Company and personal assets. The revolving credit facility is subject to certain financial covenants. As of December 31, 2018, the Company was in compliance with all covenants.</p>	7,800,000	9,737,989
<p>IAM Private Debt Group Tranche I facility to a maximum of \$14,000,000 with any amount borrowed repayable over 7-years at an interest rate equal to the greater of i) 6.75% annually or ii) the equivalent rate of the then current Government of Canada Bond yield plus 425 bps, fixed for the term of the loan. This facility is secured by a general security agreement over Company assets. The facility is subject to certain financial covenants. As of December 31, 2018, the Company was in compliance with all covenants.</p>	11,217,749	12,913,018
<p>IAM Private Debt Group Tranche II facility to a maximum of \$4,000,000 with any amount borrowed repayable over 7-years at an interest rate equal to the greater of i) 6.75% annually or ii) the equivalent rate of the then current Government of Canada Bond yield plus 425 bps, fixed for the term of the loan. This facility is secured by a general security agreement over Company assets. The facility is subject to certain financial covenants. As of December 31, 2018, the Company was in compliance with all covenants.</p>	3,310,192	3,787,712
<p>IAM Private Debt Group Tranche III facility to a maximum of \$5,000,000 with any amount borrowed repayable over 7-years at an interest rate equal to 6.75% annually fixed for the term of the loan. This facility is secured by a general security agreement over Company assets. The facility is subject to certain financial covenants. As of December 31, 2018, the Company was in compliance with all covenants.</p>	4,724,949	-

The accompanying notes are an integral part of these financial statements.

JMB CRUSHING SYSTEMS INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

7. LONG TERM DEBT (CONTINUED)

Wells Fargo finance contract bearing 5.50% per annum, repayable in monthly principal and interest payments of \$1,714. The financing is secured by specific equipment and expires in July 2019.	11,804	31,138
Wells Fargo finance contract bearing 5.50% per annum, repayable in monthly principal and interest payments of \$14,437. The financing was secured by specific equipment and expired September 2018.	-	126,945
Royal Bank of Canada finance contract bearing interest at 2.49% per annum, repayable in monthly principal and interest payments of \$1,240. The financing is secured by specific equipment and expires November 2020.	27,817	41,811
Finance contract bearing interest at 6.25% per annum, repayable in monthly principal and interest payments of \$492. The financing is secured by specific equipment and expires in November 2019.	<u>5,242</u>	<u>10,628</u>
	27,546,458	26,685,461
Less: current portion of long term debt	<u>11,097,667</u>	<u>12,086,029</u>
	<u>\$ 16,448,791</u>	<u>\$ 14,599,432</u>

Payments due for the next five years are as follows:

2019	\$ 11,097,667
2020	3,169,990
2021	3,372,657
2022	4,589,843
2023 and thereafter	<u>5,316,301</u>
	<u>\$ 27,546,458</u>

The accompanying notes are an integral part of these financial statements.

JMB CRUSHING SYSTEMS INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

8. CONTINGENCIES AND COMMITMENTS

As part of its ongoing operations, the Company is subject to legal actions from clients and suppliers, the outcomes of which are not predictable at this time. The Company rigorously defends any such actions and believes that the outcomes would not have a material impact on the financial statements as presented.

The Company has agreed to lease a premises until February 29, 2020 with future minimum lease payments to be made in the next two fiscal years as follows:

2019	\$ 274,800
2020	<u>45,800</u>
	<u>\$ 320,600</u>

The future minimum annual lease payments as of December 31, 2018 under operating leases are:

2019	\$ 1,541,724
2020	1,267,964
2021	1,069,586
2022	560,296
2023	<u>411,553</u>
	<u>\$ 4,851,123</u>

9. SHARE CAPITAL

2018

2017

Share capital consists of:

- Authorized - an unlimited number of Class A voting common shares
- Authorized - an unlimited number of Class B voting common shares
- Authorized - an unlimited number of Class C voting common shares
- Authorized - an unlimited number of Class D non-voting common shares

Issued and fully paid:

24,713.19	Class A voting common shares (2017 - 257.143 shares)	\$ 2,156,162	\$ 386
2,452.49	Class B voting common shares (2017 - 303.818 shares)	213,974	400,007
nil	Class C voting common shares (2017 - 1,496.182 shares)	-	1,969,400
nil	Class D non-voting common shares (2017 - 342.857 shares)	<u>-</u>	<u>343</u>
		<u>\$ 2,370,136</u>	<u>\$ 2,370,136</u>

During the current fiscal year, 1,496.182 Class C common shares were repurchased by the Company from JMB Investco (US) L.P. for \$1,969,400. Also in the current fiscal year, 342.857 Class D common shares and 257.143 Class A common shares were repurchased by the Company from JBuck & Sons Inc. for \$343 and \$386 respectively. In addition, 303.818 Class B common shares were repurchased by the Company from JMB Investco (US) L.P. and JMB Investco (CAN) L.P. for \$400,007.

During the current fiscal year, 24,713.19 Class A common shares were issued to Canadian Aggregate Resources Corp. for \$2,156,162 and 2,452.49 Class B common shares were granted to JBuck & Sons Inc. for \$213,974.

The accompanying notes are an integral part of these financial statements.



JMB CRUSHING SYSTEMS INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

10. RELATED PARTY TRANSACTIONS

Westward Partners LLC

During fiscal 2018, the Company incurred management and transaction fees with respect to services provided by Westward Partners LLC in the amount of \$229,167 (2017: \$250,000). As of November 21, 2018, Westward Partners LLC is no longer associated with the Company.

JBuck and Sons Inc.

A shareholder of JBuck and Sons Inc. was paid management fees from the Company in the amount of \$272,000 (2017: \$277,243) for services provided during the year. During fiscal 2018, the Company bought out the existing class of shares and granted new shares that resulted in JBuck and Sons Inc. holding a lower percentage of ownership.

JMB Investco (US) L.P.

JMB Investco (US) L.P. is no longer a shareholder of the Company as of December 31, 2018. The Company bought out the shares held by JMB Investco (US) L.P. as of November 21, 2018.

JMB Investco (CAN) L.P.

JMB Investco (CAN) L.P. is no longer a shareholder of the Company as of December 31, 2018. The Company bought out the shares held by JMB Investco (CAN) L.P. as of November 21, 2018.

Canadian Aggregate Resources Corp.

During the year, Canadian Aggregate Resources Corp. became a new shareholder of the Company. This shareholder now owns 91% of the Company shares as of November 21, 2018 and a change of control for tax purposes was realized as of this date.

11. CONTRIBUTED SURPLUS

Contributed surplus consists of:

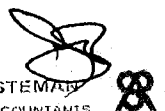
	<u>2018</u>	<u>2017</u>
Opening balance - contributed surplus	\$ 1,342,883	\$ 1,342,883
Revaluation of shares	<u>9,770,387</u>	<u>-</u>
	<u>\$ 11,113,270</u>	<u>\$ 1,342,883</u>

During fiscal 2018, the Company entered into an agreement with Canadian Aggregate Resources Corp. for the purchase of Company shares previously held by others. On November 21, 2018 Canadian Aggregate Resources Corp. purchased 91% of the Company with the proceeds from the sale of \$8,500,000 being attributed as contributed surplus for the Company due to the exchange of equity nature of the transaction. In addition, \$1,270,387 of transaction fees related to the share purchase agreement were paid as part of the transaction.

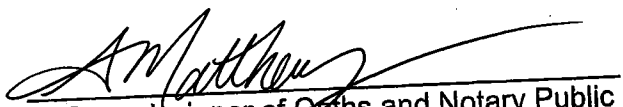
12. SUBSEQUENT EVENTS

On March 15, 2019, the Company purchased 100% of the shares of 2161889 Alberta Ltd. (JLG Ball Enterprises) for \$15,500,000 from 541466 Alberta Ltd.

The accompanying notes are an integral part of these financial statements.



THIS IS EXHIBIT "D" REFERRED TO IN
THE AFFIDAVIT OF JEFF BUCK
SWORN BEFORE ME
THIS 16 DAY OF APRIL, 2020


A Commissioner of Oaths and Notary Public
in and for the Province of Alberta

Alex Matthews
Barrister & Solicitor



STATEMENT OF FINANCIAL POSITION BALANCE SHEET CASH FLOW STATEMENT

Balance Sheet	Actual
Cash	(143,090)
Accounts Receivable	8,622,055
Accrued Receivables	14,578
Prepaid Expenses & Deposits	234,831
Contract Costs	353,313
Gravel Inventory	22,931,381
Parts Inventory	306,172
Allowance for doubtful accounts	(53,810)
Total Current Assets	32,271,430
Land	250,000
Pit Development	1,025,666
Vehicle	5,320,858
Crushing Equipment	2,947,252
Computer Equipment	248,695
Shop Equipment	-
Leasehold Improvements	146,783
Property, Plant & Equipment	9,930,263
Vehicle	3,356,289
Crushing Equipment	-
Computer Equipment	-
Shop Equipment	-
Leasehold Improvements	-
Right of Use Asset	3,356,289
Investment	17,079,700
Long Term Prepaid Expenses & Deposits	46,148
Due From Related Party	4,319,873
Total Long Term Assets	34,741,362
TOTAL ASSETS	67,012,792
Accounts Payable	8,529,383
Credit Card Payable	197,111
Accrued Liabilities	1,054,025
Source Deduction Payable	86,252
Tax Payable	(210,719)
Wages Payable	152,976
ATB Revolving Line	13,300,000
Deferred Revenue	503,987
Current Portion of LTD	4,561,118
Current Portion of LTD Under Right of Use Agreement	1,188,513
Total Current Liabilities	29,572,825
Accrued Site Reclamation Costs	1,348,362
Long Term Debt	19,747,219
Long Term Debt Under Right of Use Agreement	2,289,118
Future Income Tax	841,582
Due to J Buck & Sons	887,705
Due to CARC	2,600,000
Total Long Term Debt	27,693,965
Total Liabilities	57,266,590
Class A Common Shares	49,255,684
Class B Common Shares	2,452,493
Additional Paid in Capital	1,342,883
Share Capital	53,051,070
Beginning Retained Earnings	(53,682,120)
Current Earnings	(9,722,748)
Dividends Paid	-
Total Retained & Current Earnings	(43,304,668)
TOTAL LIABILITIES & EQUITY	67,012,792

* Prepared using Indirect method

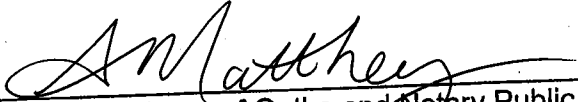
Statement of Cash Flow	Year-To-Date Current Mo.	
Beginning Cash Balance	(116,485)	(1,527,544)
Cash from operating activities:		
Net Income	(9,722,748)	(1,159,321)
Amortization	2,060,310	220,711
Change in Accounts Receivable	(4,653,839)	44,900
Change in Accounts Payable	1,667,387	1,174,710
Change in Gravel Inventory	(3,748,290)	5,724
Change in Parts Inventory	(28,723)	(5,612)
Change in Tax Payable	(545,590)	(61,094)
Change in other current assets	(277,608)	22,289
	(14,040,502)	241,648
Cash from investing activities:		
Change in PP&E	(6,279,032)	(47,526)
Change in Investment	(18,061,190)	-
Change in Other Long Term Assets	(1,469,437)	168,051
	(24,809,679)	120,525
Cash from financing activities:		
Change in Long Term Debt	14,009,828	832,679
Change in Amounts to Due to Shareholder	2,800,000	-
Change in Amounts to Due to Related Party	887,705	-
Change in Share Capital	21,335,023	-
Change in Dividends	-	-
Change in Other Equity	-	-
	38,832,556	832,679
Ending Cash Balance	(143,090)	(143,090)



03/27/2020

Total Revenue	<u>32,881,127</u>
Depreciation Expense	4,981,424
Gravel royalties	4,899,219
Fuel expense	1,567,312
Equipment Rental	(17,657)
Equipment Operating Leases	61,884
Freight Expense	2,030,851
Jobsite lodging	2,352,810
Eq. Repair & Maintenance	828,933
Small tools & Supplies	11,864,001
Third Party Subcontractors	47,575
Asset impairment	7,910,646
Wages - COGS	(1,674,236)
Contract Costs (Contra)	(191,409)
Closing Pit Development (Contra)	(640,779)
Reclamation Cost (Contra)	(3,746,220)
Closing Gravel Inventory (Contra)	<u>33,934,240</u>
Cost of Sales	<u>(1,043,114)</u>
Gross Profit	<u>31,838,013</u>
Advertising & Promotional	13,684
Bad Debts	45,327
Bonding	-
Bonus Expense	330,919
Insurance	250,721
Licensing, dues & memberships	-
Meals & Entertainment	131,234
Occupancy Expenses	238,923
Office Expenses	1,067,108
Professional fees	116,651
Professional Development	102,240
Travel & Lodging	2,849,465
Wages - G&A	<u>6,168,252</u>
General & Administrative Expense	<u>(6,209,344)</u>
Operating Income	<u>25,628,669</u>
Management Fees	(166,467)
Foreign Exchange Gain/Loss	4,780
Loss(Gain) on Disposal	(24,830)
Interest	2,668,185
Expected Credit Loss Provision	53,810
Transaction Fees	978,114
Provision for Tax	<u>3,819,363</u>
Other Expenses	<u>(9,722,749)</u>
Net Income	<u>15,905,920</u>

THIS IS EXHIBIT "E" REFERRED TO IN
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SWORN BEFORE ME
THIS 16 DAY OF APRIL, 2020


A Commissioner of Oaths and Notary Public
in and for the Province of Alberta

Alex Matthews
Barrister & Solicitor




Balance Sheet	Actual	Budget	Variance	%
Cash	11,888			
Accounts Receivable	6,847,111			
Accrued Receivables	59,454			
Prepaid Expenses & Deposits	976,013			
Contract Costs	23,819,647			
Gravel Inventory	308,818			
Parts Inventory	(53,810)			
Allowance for doubtful accounts				
Total Current Assets	31,911,056			
Land	250,000			
PII Development	337,492			
Vehicle	5,128,447			
Crushing Equipment	3,154,209			
Computer Equipment	237,697			
Shop Equipment	48,929			
Leasehold Improvements	289,349			
Property, Plant & Equipment	9,446,124			
Vehicle	3,110,143			
Crushing Equipment	-			
Computer Equipment	-			
Shop Equipment	-			
Leasehold Improvements	3,110,143			
Right of Use Asset	17,079,790			
Investment	1,816,121			
Long Term Prepaid Expenses & Deposits				
Due From Related Party	31,452,179			
Total Long Term Assets	63,363,234			
TOTAL ASSETS	95,274,290			
Accounts Payable	8,141,628			
Credit Card Payable	169,112			
Accrued Liabilities	1,342,576			
Source Deduction Payable	88,587			
Tax Payable	(233,592)			
Wages Payable	249,850			
ATB Revolving Line	12,050,000			
Deferred Revenue	38,900			
Current Portion of LTD	4,247,157			
Current Portion of LTD Under Right of Use Agreement	1,169,856			
Total Current Liabilities	28,255,284			
Accrued Site Reclamation Costs	1,348,362			
Long Term Debt	19,451,381			
Long Term Debt Under Right of Use Agreement	2,070,294			
Future Income Tax	841,562			
Due to J. Buck & Sons	887,705			
Due to CACR	7,600,000			
Total Long Term Debt	27,199,304			
Total Liabilities	55,454,588			
Class A Common Shares	49,255,684			
Class B Common Shares	2,452,493			
Additional Paid in Capital	1,933,135			
Share Capital	53,641,321			
Share Capital	(578)			
Currency Translation	(41,260,056)			
Beginning Retained Earnings	(1,371,211)			
Current Earnings				
Dividends Paid	(45,732,674)			
Total Retained & Current Earnings	63,363,234			
TOTAL LIABILITIES & EQUITY	95,274,290			

* Prepared using Indirect method

Statement of Cash Flow	Year-To-Date Current Mo.	
Beginning Cash Balance	(123,160)	(448,954)
Cash from operating activities:		
Net Income	(1,371,211)	(812,035)
Amortization	353,369	177,880
Change in Accounts Receivable	2,103,328	(800,090)
Change in Accounts Payable	288,425	754,069
Change in Gravel Inventory	(441,952)	(250,053)
Change in Parts Inventory	(2,645)	(163)
Change in Tax Payable	(25,593)	63,255
Change in other current assets	118,677	610,525
	885,043	(814,812)
Cash from investing activities:		
Change in PP&E	198,759	87,255
Change in Investment	(63,379)	(5,705)
Change in Other Long Term Assets	135,381	81,470
Cash from financing activities:		
Change in Long Term Debt	(2,296,269)	(123,122)
Change in Amounts to Due to Shareholder		
Change in Amounts to Due to Related Party	76,708	17,048
Change in Share Capital	1,333,898	1,002,858
Change in Dividends		
Change in Other Equity		
	(885,664)	888,762
Effect of ex. Rate Changes on Cash	288	(797)
Ending Cash Balance	11,888	11,888

THIS IS EXHIBIT "F" REFERRED TO IN
THE AFFIDAVIT OF JEFF BUCK
SWORN BEFORE ME
THIS 16 DAY OF APRIL, 2020


A Commissioner of Oaths and Notary Public
in and for the Province of Alberta

Alex Matthews
Barrister & Solicitor



Phone: 780-718-2173
Fax: 780-422-4998

October 16, 2019

JMB Crushing Systems Inc.
9046 22 Avenue SW
Edmonton, AB T6X 0J9

Attn: *Jeff Buck, President*

Dear Sir:

ATB Financial, formerly Alberta Treasury Branches, has approved and offers the credit facilities on the terms and conditions described in the attached Commitment Letter and accompanying schedules (this "Agreement") on and subject to the terms and conditions set forth in this Agreement. This Agreement amends and restates in its entirety our letter agreement dated June 24, 2019 (the "Existing Commitment Letter"). Any borrowings outstanding under the Existing Commitment Letter are deemed to be Borrowings under this Agreement under the related facility referenced in this Agreement and all security provided for such Borrowings is confirmed as provided herein.

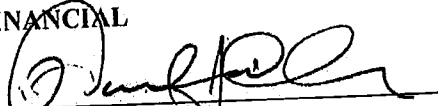
You may accept our offer by returning the enclosed duplicate of this letter, signed as indicated below (whether in original ink, by facsimile or in another electronic format), by 4:00 p.m. on or before October 30, 2019 or our offer will automatically expire. We reserve the right to cancel our offer at any time prior to acceptance.

Thank you for your continued business.

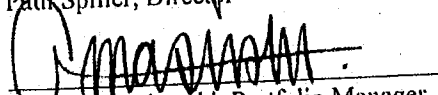
Yours truly,

ATB FINANCIAL

By:


Paul Spiller, Director

By:

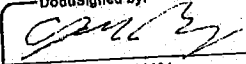

Carmen Maslowski, Portfolio Manager

Encl.



Accepted this 10/21/2019 day of _____, 2019

JMB Crushing Systems Inc.

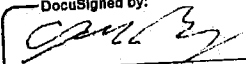
DocuSigned by:

Per: _____
Name: 3E8FCE04DD11484...
Title:

Per: _____
Name:
Title:

(We have authority to bind the Borrower)

Each of the undersigned, in their capacity as a Guarantor of Borrower, acknowledges and agrees to the terms of this Agreement as of this ___ day of _____, 20, and acknowledges that Lender has made no representation or warranty of any kind as to the realization on the undersigned's guarantee (or any collateral security therefor) other than as expressly set forth in this Agreement and that such guarantee is confirmed. Each of the undersigned further acknowledges that this Agreement and the documents referred to in this Agreement may be amended, supplemented, restated, modified or renewed without the undersigned's consent and without reducing, restricting or otherwise limiting the undersigned's liability in any way.

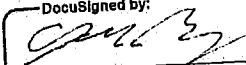
East Side Rock Products Inc.

DocuSigned by:

Per: _____
Name: 3E8FCE04DD11484...
Title:

Per: _____
Name:
Title:

(We have authority to bind the Guarantor)

2161889 Alberta Ltd.

DocuSigned by:

Per: _____
Name: 3E8FCE04DD11484...
Title:

Per: _____
Name:
Title:

(We have authority to bind the Guarantor)



COMMITMENT LETTER

LENDER: ATB FINANCIAL
BORROWER: JMB CRUSHING SYSTEMS INC.
GUARANTORS: EASTSIDE ROCK PRODUCTS INC.
2161889 ALBERTA LTD.

1) **FACILITIES** (each referred to as a "Facility")

a) **FACILITY #1 - OPERATING LOAN FACILITY (REVOLVER) – \$13,500,000.00 reducing to \$10,000,000.00 by January 1, 2020**

i) **AMOUNT AND TYPE**

Facility #1 is available by way of:

- Prime-based loans in Canadian dollars
- Letters of Credit (to an aggregate maximum of \$1,000,000) in Canadian dollars

Facility #1 is to be used to assist with working capital and general corporate purposes of Borrower.

Notwithstanding the authorized amount of Facility #1 (and except as otherwise provided in section 1(a)(iii) hereof), advances will be limited to the amount (the "Margin Limit") equal to the lesser of:

- the maximum principal amount of Facility #1; and
- the Borrowing Base.

ii) **INTEREST RATES AND PREPAYMENT**

Pricing applicable to Facility #1 is as follows:

- Prime-based loans: Interest is payable in Canadian dollars at Prime plus 1.75% per annum
- Letters of Credit: Fee is 2.00% per annum with a minimum fee of \$500.00

Non-refundable facility fee calculated at a rate of 0.25% per annum is payable monthly in Canadian dollars on the last day of each month, calculated daily on the unused portion of the authorized amount of Facility #1.

Facility #1 may be prepaid in whole or in part at any time (subject to the notice periods provided in this Agreement) without penalty.

iii) **REPAYMENT**

Facility #1 is payable in full on demand by Lender, and Lender may terminate the availability thereof (including any undrawn portion) at any time without notice.

Facility #1 may revolve in multiples as permitted by this Agreement, and Borrower may borrow, repay, reborrow and convert between types of Borrowings, up to the amount and subject to the notice periods provided in this Agreement.

b) **OTHER FACILITIES – CORPORATE MASTERCARD**

Corporate Mastercard facilities are available to a maximum of \$100,000.00. Corporate Mastercard fees are detailed in the Corporate Mastercard documentation.

c) **OTHER FACILITIES – CASH MANAGEMENT, FOREIGN EXCHANGE, INTEREST RATE AND COMMODITY DERIVATIVES**

At Borrower's request, Lender may enter into cash management contracts and Swaps in compliance with the provisions in this agreement with Borrower from time to time. Lender makes no commitment to enter into any such contract or Swap and may at any time in its sole discretion decline to enter into any such contract or Swap.

2) **FEES**

- (a) Non-refundable renewal fee of \$35,000.00 is payable on acceptance of this offer whether or not any Borrowing is extended.
- (b) Non-refundable fee of \$5,000.00 for the temporary overdraft is payable on acceptance of this offer.
- (c) A monthly fee of \$250.00 is payable for margining.
- (d) Established credit facilities may be subject to a fee where Lender in its sole discretion permits excess Borrowings, if any.
- (e) For reports or statements not received within the stipulated periods (and without limiting Lender's rights by virtue of such default), Borrower will be subject to a fee of \$250 per month for each late reporting occurrence.

Lender is hereby authorized to debit Borrower's current account for any unpaid portion of any fees due under this Agreement.

3) **SECURITY DOCUMENTS**

All security documents (whether held or later delivered) (collectively, the "Security Documents") shall secure all Facilities and all other obligations of Borrower to Lender (whether present or future, direct or indirect, contingent or matured). The parties acknowledge that the following Security Documents are currently held:

- (a) General Security Agreement from Borrower providing, subject to Permitted Encumbrances, a first-ranking security interest over all present and after acquired personal property a floating charge on all lands and all accounts receivables and inventories;
- (b) Postponement and Assignment of Claims from JMB Investco (US) LP;
- (c) Postponement and Assignment of Claims from JMB Investco (US) II LP;
- (d) Postponement and Assignment of Claims from J Buck & Sons Inc.;
- (e) Postponement and Assignment of Claims from JMB Investco (CAN) LP;
- (f) Continuing Guarantee and Postponement and Assignment of Claims from Eastside Rock Products Inc. – unlimited, supported by:
 - General Security Agreement providing a security interest over all present and after acquired personal property;
- (g) Continuing Guarantee and Postponement and Assignment of Claims from 2161889 Alberta Ltd. – unlimited, supported by:

- General Security Agreement providing a security interest over all present and after acquired personal property;
- (h) Inter-Lender Agreement between Lender, Borrower, Eastside Rock Products Inc. and Integrated Private Debt Fund V LP;
- (i) Schedule C to the Inter-Lender Agreement between Lender, Borrower, Eastside Rock Products Inc. and Integrated Private Debt Fund V LP;
- (j) Assignment of Insurance;
- (k) Amalgamation Document

The Loan Parties hereby acknowledge and agree that, notwithstanding anything contained in this Agreement, each of the Security Documents previously granted by the Loan Parties for the benefit of Lender in connection with the Existing Commitment Letter continues in full force and effect, without in any way impairing or derogating from any of the mortgages, pledges, charges, assignments, security interests and covenants therein contained or thereby constituted, as continuing security for all indebtedness, liabilities and obligations of Borrower to Lender howsoever arising or incurred, including, without limitation, in connection with this Agreement. The Loan Parties acknowledge and agree that Lender is relying on this Section 3 in connection with its commitments under this Agreement and further acknowledges and agrees that references in the Security Documents to the "Commitment Letter", the "Loan Agreement" or the "Credit Agreement" (as applicable) shall include this Agreement, as the same may be amended, modified, supplemented, restated or replaced, from time to time, and the other documents, instruments and agreements entered into pursuant thereto.

The Security Documents are to be registered in the following jurisdictions: Alberta, British Columbia, Saskatchewan, Washington State and Colorado. All registrations will be completed under the legal entity names JMB Crushing Systems Inc. and JMB Crushing Systems ULC.

4) CONDITIONS PRECEDENT

It is a condition precedent to each advance under this Agreement that, at the time of such advance, all representations and warranties in this Agreement must be true and correct in all material respects as if made on such date, and there must be no default under any Loan Document.

In addition, no Facilities will be available until the following conditions precedent have been satisfied, unless waived by Lender:

- (a) Lender has received all Security Documents and all registrations and filings have been completed in Alberta, British Columbia, Saskatchewan, Washington State and Colorado in all cases in form and substance satisfactory to Lender;
- (b) The Loan Parties have provided to Lender all duly enacted corporate resolutions authorizing the execution, delivery and performance of the Loan Documents, an officer's certified copy of its governing documents, and a certificate of incumbency;
- (c) Lender has received evidence of the receipt by each Loan Party of all necessary consents and approvals required from any governmental authority or any other Person for the entry into, execution and delivery of the Loan Documents and the performance of its obligations under the Loan Documents;
- (d) Lender has received a satisfactory legal opinion from counsel to the Loan Parties addressing:
 - i) the due authorization, execution, delivery and enforceability of the Loan Documents;

October 16, 2019

JMB Crushing Systems Inc.
Page 4

- ii) if applicable and if required by Lender, the continued validity and enforceability of all guarantees, security and other documents previously executed and delivered by each Loan Party to Lender and confirming that all such documents continue to be in compliance with all financial assistance laws and fraudulent conveyance laws of its jurisdiction of incorporation;
- iii) any other matters that may be reasonably requested by Lender;
- (c) Lender has not received written notice of any execution, lien, trust, charge or encumbrance affecting the assets charged by the security created by the Security Documents (other than Permitted Encumbrances);
- (f) Lender has received a satisfactory certificate of insurance issued by Borrower's insurance broker in respect of all policies required to be maintained by Borrower (or to be maintained upon the acquisition of the applicable assets) which are to name Lender as first loss payee under all property damage policies and additional insured, as its interest may appear, in respect of all liability policies;
- (g) Borrower has provided Lender with a list of all existing Material Contracts, as well as certified copies of all Material Contracts it may request from that list. Lender will be satisfied that all Material Contracts are in full force and effect and that no Loan Party is in default under any of them;
- (h) All security interests charging any asset of a Loan Party have been discharged, other than security interests in favour of Lender and Permitted Encumbrances;
- (i) Lender has received from Borrower:
 - i) an executed Borrowing Base Certificate, as required, demonstrating an acceptable Borrowing Base on the date of the initial borrowing to support all Borrowings requested on that date; and
 - ii) an executed Compliance Certificate confirming that Borrower is in compliance with all the terms and conditions of this Agreement prior to initial drawdown and that all representations and warranties continue to be true and correct in every material respect prior to initial drawdown;
- (j) Borrower has executed and delivered all of Lender's standard form account opening documentation required to establish current accounts and all documentation necessary to comply with applicable AML Laws, "know your client" and domestic and foreign tax laws including applicable Foreign Account Tax Compliance Act documentation;
- (k) Lender has received payment of all fees due in respect of this Agreement;
- (l) Lender is satisfied as to:
 - i) the value of each Loan Party's assets and financial condition;
 - ii) each Loan Party's ability to carry on business and repay any amount owed to Lender from time to time; and
 - iii) each Loan Party's organizational and capital structure including Subsidiaries, affiliates and ownership, whether direct or indirect;
- (m) Lender has received the authorizations and supporting documents set out in Section 11 of this Agreement; and

- (n) Lender has received any other documents as Lender has reasonably requested.

The above conditions are inserted for the sole benefit of Lender, and may be waived by Lender in whole or in part (with or without terms or conditions) in respect of any particular Borrowing, provided that any waiver shall not be binding unless given in writing and shall not derogate from the right of Lender to insist on the satisfaction of such waived condition in future.

5) CONDITION SUBSEQUENT

- (a) Borrower will provide to Lender audited consolidated IFRS statements for the fiscal year 2018 no later than December 31, 2019.

6) POSITIVE COVENANTS

Each Loan Party covenants with Lender that, it will do and perform the following covenants (to the extent applicable to it). If any such covenant is to be done or performed by a Guarantor, Borrower also covenants with Lender to cause Guarantor to do or perform such covenant.

- (a) Borrower will pay to Lender when due all amounts (whether principal, interest or other sums) owing by it to Lender from time to time;
- (b) Borrower will ensure that at least 95% of its consolidated assets are held by those Loan Parties which have provided security in favour of Lender;
- (c) Borrower will use the proceeds of the Facilities only for the purposes as set out in this Agreement or as otherwise approved by Lender;
- (d) Each Loan Party will maintain its valid existence as a corporation or partnership, as the case may be, and in all material respects, will maintain all licenses and authorizations required from regulatory or governmental authorities or agencies to permit it to carry on its business, including, without limitation, any licenses, certificates, permits and consents for the protection of the environment;
- (e) Each Loan Party will maintain its books of account and records relative to the operation of its business and financial condition in accordance with GAAP;
- (f) Each Loan Party will maintain and defend title to all of its property and assets, will maintain, repair and keep in good working order and condition all of its property and assets and will continuously carry on and conduct its business in a proper, efficient and businesslike manner;
- (g) Each Loan Party will maintain types and amounts of insurance satisfactory to Lender with Lender shown as first loss payee on any property insurance covering any assets on which Lender has security and additional insured, as its interest may appear, on all liability insurance, and promptly advise Lender in writing of any significant loss or damage to its property, and each Loan Party will provide evidence of insurance to Lender:
- i) in situations where Lender has taken a fixed charge on an asset or property whether on real property or personal property; and
 - ii) in all other situations, on request.

Lender reserves the right to conduct an independent review of any Loan Party's insurance coverage, at the reasonable expense of Borrower;

- (h) Each Loan Party will permit Lender, by its officers or authorized representatives at any reasonable time and on reasonable prior notice, to enter its premises and to inspect its plant, machinery, equipment and other real and personal property and their operation, and to examine and copy all of its relevant books of accounts and records;
- (i) Each Loan Party will, in all material respects, remit all sums when due to tax and other governmental authorities (including, without limitation, any sums in respect of employees and GST), and upon request, will provide Lender with such information and documentation in respect thereof as Lender may reasonably require from time to time;
- (j) Each Loan Party will comply in all material respects with all Applicable Laws, including without limitation, environmental laws;
- (k) Borrower will promptly advise Lender in writing, giving reasonable details, of:
 - i) the discovery of any contaminant or any spill, discharge or release of a contaminant into the environment from or upon any property of a Loan Party which would reasonably be expected to have a material impact on its business;
 - ii) any event which constitutes, or which with notice, lapse of time or both, would constitute a breach of any provision hereof;
 - iii) each event which has or is reasonably expected to have a material impact on the business of a Loan Party;
 - iv) any Material Adverse Change regarding any Loan Party, or of any material loss, destruction or damage to its properties and assets; and
 - v) the opening or establishment of an account, or decision to make use of an existing account, with another financial institution through which Borrower intends to conduct its primary banking operations;
- (l) Each Loan Party undertakes that, upon request from Lender, such Loan Party will grant a fixed mortgage and charge to Lender on any or all real property of that Loan Party so designated by Lender. Borrower shall promptly provide to Lender all information reasonably requested by Lender to assist it in that regard. Borrower acknowledges that this undertaking constitutes present and continuing security in favour of Lender, and that Lender may file such caveats, security notices or other filings in regard thereto at any time and from time to time as Lender may determine;
- (m) Each Loan Party shall deliver forthwith to Lender any financial statements and other information as required in this Agreement;
- (n) Each Loan Party will fully pay its respective monetary obligations when due and perform its respective obligations under all leases and agreements relating to each leased location of any material asset charged by the Security Documents;
- (o) Each Loan Party will maintain in effect policies and procedures designed to promote compliance by such Loan Party, its Subsidiaries, and their respective directors, officers, employees and agents with all applicable Sanctions, AML Laws and Anti-Corruption Laws;
- (p) Borrower will provide notice to Lender on any court process wherein the claim exceeds \$250,000.00; and

- (q) Borrower may cure (and shall be deemed to have cured) a default arising out of a breach of any Financial Covenant as follows: if (a) the cash proceeds of an investment of equity contributions made by the shareholders are received by Borrower and (b) same is deemed to be EBITDA by Borrower in order to cure the breach of any Financial Covenant, then such breach shall have been cured (and shall have been deemed to have been cured) within 20 Business Days after the date on which the Compliance Certificate is delivered in respect of the fiscal (previously approved). Maximum 3 cures are permitted in a 24 month period.

7) NEGATIVE COVENANTS

Each Loan Party covenants with Lender that it will not do any of the following without the prior written consent of Lender. If a Guarantor is not to do an act, Borrower also covenants with Lender not to permit Guarantor to do such act.

- (a) A Loan Party will not create or permit to exist any mortgage, charge, lien, encumbrance or other security interest on any of its present or future assets, other than Permitted Encumbrances;
- (b) A Loan Party will not create, incur, assume or allow to exist any Indebtedness other than:
- i) trade payables incurred in the ordinary course of business;
 - ii) any Indebtedness owing to another Loan Party (but only if that Loan Party has provided the Security Documents required by Lender);
 - iii) any Indebtedness secured by a Permitted Encumbrance;
 - iv) any unsecured advances from affiliates/shareholders which are postponed in all respects to the Facilities; and
 - v) any Indebtedness owing to Lender;
- (c) A Loan Party will not sell, assign, transfer, convey, lease (as lessor), contribute or otherwise dispose of, or grant options, warrants or other rights with respect to any assets except:
- i) inventory sold, leased or disposed of in the ordinary course of business,
 - ii) obsolete equipment which is being replaced with equipment of an equivalent value,
 - iii) assets sold, leased or disposed of to another Loan Party (but only if that Loan Party has provided the Security Documents required by Lender), and
 - iv) assets sold, leased or disposed of during a fiscal year having an aggregate fair market value not in excess of \$100,000 for such fiscal year;
- (d) A Loan Party will not provide financial assistance (by means of a loan, guarantee or otherwise) to any Person other than as permitted under clause (b) above;
- (e) A Loan Party will not pay any amount to or for the benefit of shareholders or Persons associated with shareholders (within the meaning of the *Business Corporations Act* (Alberta)), whether by way of salaries, bonuses, dividends, management fees, repayment of loans or otherwise:
- i) following the occurrence of and during the continuance of any event which constitutes a breach of any provision hereof; or



- ii) if making such payment would reasonably be expected to result in a breach of any provision hereof;
- (f) A Loan Party will not redeem, purchase or otherwise acquire, retire or pay out any of its present or future share capital other than to another Loan Party;
- (g) A Loan Party will not amalgamate, consolidate, or merge with any Person other than a Loan Party and then only if no default is then in existence under this Agreement or would thereafter be in existence;
- (h) A Loan Party will not consent to or facilitate a Change of Control other than as consented to in writing by Lender;
- (i) A Loan Party will not acquire any assets in, or move or allow any of its assets to be moved to, a jurisdiction where Lender has not registered or perfected the Security Documents;
- (j) A Loan Party will not change the present nature of its business in any material respect;
- (k) A Loan Party will not enter into any Swap outside the ordinary course of its business or for speculative purposes (determined, where relevant, by reference to GAAP); provided that, without limiting the generality of the foregoing, the following shall be deemed to be Swaps entered into outside of the ordinary course of business or entered into for speculative purposes:
 - i) any Interest Swap if the Equivalent Amount in Canadian Dollars of the notional amount of indebtedness under such Interest Swap together with the Equivalent Amount in Canadian Dollars of the notional amount of all other Interest Swaps then in effect in respect of the Loan Parties exceeds the underlying exposure to the risk hedged or sought to be hedged by such Interest Swap at the time such Interest Swap is entered into;
 - ii) any Commodity Swap if the term of such Commodity Swap exceeds three years or if the aggregate amount of the commodity subject to such Commodity Swap, together with all other Commodity Swaps then in place, would exceed in the aggregate on a rolling basis for the next following three years, 70% in the first year, 60% in the second year and 50% in the third year, in each case, of the Loan Parties' combined average daily production of such commodity (net of royalties) during the immediately preceding fiscal quarter of the Borrower, as determined at the time any such Commodity Swap is entered into and as adjusted for acquisitions, divestitures and extraordinary events during such fiscal quarter in a manner satisfactory to the Agent, acting reasonably;
 - iii) any Currency Swap if the aggregate amount hedged under all Currency Swaps at the time any such Currency Swap is entered into exceeds the Loan Parties' U.S. Dollar underlying exposure, whether direct or indirect, to the risk hedged or sought to be hedged by such Currency Swap at the time such Currency Swap is entered into;
 - iv) any Interest Swap or Currency Swap having a term from its inception to maturity exceeding three years; and
 - v) any Swap in respect of which a security interest or lien is granted, except for Permitted Encumbrances;

and to the extent the Borrowing Base includes any value for any Swap, such Swap shall not be terminated by the applicable Loan Party without the prior written consent of the Lender except at its maturity and in accordance with its terms;

- (l) A Loan Party will not, in any material respects, allow any pollutant (including any pollutant now on, under or about such land) to be placed, handled, stored, disposed of or released on, under or about any of its lands unless done in the normal course of its business and then only as long as it complies with all Applicable Laws including without limitation, environmental laws, in placing, handling, storing, transporting, disposing of or otherwise dealing with such pollutant;
- (m) Borrower will not utilize Borrowings to finance an unsolicited acquisition of more than 10% of the aggregate outstanding securities of any entity that is publicly traded, or the facilitation, assistance or participation in an acquisition of such securities, where the board of directors or like body of such entity, or the holders of all of the securities of such entity, have not approved, accepted or recommended to its securityholders acceptance of such acquisition;
- (n) Except to another Loan Party, a Loan Party will not make any payments of principal, interest, fees or costs on account of any Subordinated Debt prior to the permanent repayment in full of the Borrowings;
- (o) A Loan Party will not enter into any transactions with its Subsidiaries or affiliates for goods or services unless entered into on commercially reasonable terms;
- (p) A Loan Party will not, directly or indirectly:
 - i) acquire or form any Subsidiary or become a partner in any partnership or a participant in any joint venture without ensuring that such Subsidiary, partnership or joint venture concurrently provides an unlimited and unconditional guarantee of the Facilities and security charging all of its present and after-acquired assets, together with a satisfactory opinion of its counsel as to the enforceability of that guarantee and security; or
 - ii) make any equity investment in, or purchase or otherwise acquire or hold any equity securities of, any other Person other than another Loan Party;
- (q) No part of the proceeds of the Facilities will be used, directly or indirectly:
 - i) in any manner that would result in a violation of any Sanction; or
 - ii) in violation of any applicable AML Laws or Anti-Corruption Laws;
- (r) A Loan Party will not use the proceeds (or permit any other Subsidiary to use the proceeds) of any Borrowing to accumulate or maintain cash or cash equivalents in one or more depository or investment accounts maintained by the Loan Party or any Subsidiary in an amount, in the aggregate between all such parties, greater than \$25,000 (or the equivalent amount in any other currency), but excluding therefrom cash or cash equivalents accumulated or maintained therein for a specified business purpose (other than simply accumulating a cash reserve), and, for certainty, the Lender may refuse to make any requested advance which the Lender, acting reasonably, determine would result in a contravention of this Section 6(r); and
- (s) A Loan Party will not acquire or at any time directly or indirectly own, lease, operate or otherwise conduct any business relating to Cryptocurrency Assets.

8) REPORTING COVENANTS

Borrower will provide to Lender:

- (a) within 120 days after the end of each of its fiscal years:

- i) consolidated financial statements of Borrower on an audited basis prepared by a firm of qualified accountants;
 - ii) a Compliance Certificate in the form attached hereto as Schedule "A"; and
 - iii) consolidated annual capital and revenue budgets including income statement, balance sheet, capex projection and a statement of cash flows from Borrower for the next following fiscal year;
- (b) within 45 days following the end of each fiscal quarter:
- i) internally produced financial statements of Borrower for that quarter including balance sheet, income statement, cash flow statement and year to date capital expenditures; and
 - ii) a Compliance Certificate of Borrower in the form attached hereto as Schedule "A";
- (c) within 30 days following the end of each fiscal month:
- i) internally produced financial statements of Borrower for that month including balance sheet, income statement and 90 day cash flow projection;
 - ii) aged accounts payable and accounts receivables listings and statements of Inventory value as at the end of such month, and giving separate listings and statements for each business location of Borrower certified by a senior officer of Borrower;
 - iii) a Borrowing Base Certificate in the form attached hereto as Schedule "B";
- (d) on request, any further information regarding its assets, operations and financial condition that Lender may from time to time reasonably require.

9) FINANCIAL COVENANTS

Borrower will not at any time, without the prior written consent of Lender, breach the following restrictions:

- (a) permit the Current Ratio to fall below 1.25:1.00, tested quarterly;
- (b) permit the ratio of Net Senior Funded Debt to EBITDA to exceed 3.50:1 prior to Q1 2020 and 3.00:1 thereafter, tested quarterly;
- (c) permit Unfunded Capital Expenditures to exceed \$750,000.00 in any fiscal year of Borrower;
- (d) permit the Fixed Charge Coverage Ratio to be less than 1.25:1.00, tested quarterly.

Each of the above financial ratios shall be maintained at all times and tested at the end of each fiscal quarter/year of Borrower and shall be detailed in the compliance certificate required to be delivered under this Agreement.

10) REPRESENTATIONS AND WARRANTIES

Each Loan Party represents and warrants to Lender that (to the extent applicable to it):

- (a) If a Loan Party is a corporation, it is a corporation duly incorporated, validly existing and duly registered or qualified to carry on business in the Province of Alberta;



October 16, 2019

JMB Crushing Systems Inc.
Page 11

- (b) If a Loan Party is a partnership, it is a partnership duly created, validly existing and duly registered or qualified to carry on business in the Province of Alberta;
- (c) Each Loan Party has all necessary power and authority to enter into, deliver and perform its obligations under each of the Loan Documents to which it is a party, to own its properties and assets and to carry on its business as now conducted;
- (d) The execution, delivery and performance by each Loan Party of each Loan Document to which it is a party have been duly authorized by all necessary actions and do not violate or conflict with its governing documents or any Applicable Laws or agreements to which it is subject or by which it is bound;
- (e) No event has occurred which constitutes, or which, with notice, lapse of time, or both, would constitute, a breach of any provision of any Loan Document;
- (f) The most recent financial statements of Borrower and, if applicable, any Guarantor, provided to Lender fairly present its financial position as of the date thereof and its results of operations and cash flows for the fiscal period covered thereby, and since the date of such financial statements, there has occurred no Material Adverse Change;
- (g) Each Loan Party has good and marketable title to all of its properties and assets, free and clear of any encumbrances, other than Permitted Encumbrances;
- (h) Each Loan Party is in compliance in all material respects with all Applicable Laws including, without limitation, all environmental laws, and there is no existing material impairment to its properties or assets as a result of any environmental damage, except to the extent disclosed in writing to, and acknowledged by, Lender;
- (i) Each Loan Party has, in all material respects, filed all tax returns which are required to be filed, paid or made provision for payment (in accordance with GAAP) of all taxes due and payable, and provided adequate reserves (in accordance with GAAP) for the payment of any tax which is being contested;
- (j) All factual information furnished by or on behalf of any Loan Party in writing for purposes of or in connection with this Agreement or any transaction contemplated by this Agreement is true and accurate in every material respect as of the date delivered or specified in connection with that information, and that information is not incomplete by the omission of any material fact necessary to make it not misleading;
- (k) There are no actions, suits, proceedings, inquiries or investigations existing or, to the knowledge of any Loan Party, pending or threatened, affecting any Loan Party in any court or before or by any federal, provincial, state or municipal or other governmental department, commission, board, tribunal, bureau or agency, Canadian or foreign, which would reasonably be expected to have a material impact on its business;
- (l) As at the date hereof, Borrower has no Subsidiaries other than Eastside Rock Products Inc.;
- (m) Each Loan Party, each Subsidiary of any Loan Party, and each director, officer, employee and agent thereof is in compliance, in all material respects, with all applicable Sanctions, Anti-Corruption Laws and AML Laws; and
- (n) No Loan Party, nor any Subsidiary of any Loan Party nor any director, officer, employee or agent thereof is (i) the subject of any Sanction, or (ii) located, organized or resident in a country or territory that is, or whose government is, the subject of any Sanction.

Unless expressly stated to be made as of a specific date, the representations and warranties contained in this Agreement will survive the execution and delivery of the Loan Documents, and shall be deemed to be repeated as of the date of each Borrowing and as of the date of delivery of each compliance certificate, subject to modifications made by Borrower to Lender in writing and accepted by Lender. Lender shall be deemed to have relied upon such representations and warranties at each such time as a condition of making a Borrowing hereunder or continuing to extend the Facilities hereunder until all Facilities have been permanently repaid in full, regardless of any investigation or examination made by Lender or its counsel.

11) NEXT REVIEW DATE:

All demand Facilities are subject to review by Lender at any time in its sole discretion and at least annually without limiting Lender's right to make demand at any time. The next annual review date has been set for December 31, 2019 but may be set at an earlier or later date at the sole discretion of Lender.

12) AUTHORIZATIONS AND SUPPORTING DOCUMENTS

Borrower has delivered or will deliver the following authorizations and supporting documents to Lender:

(a) Corporate Borrower:

- i) Incorporation documents including Certificate of Incorporation, Articles of Incorporation (including any amendments) and last Notice of Directors;
- ii) Banking resolution in form provided by Lender or otherwise acceptable to Lender;
- iii) Certificate of signing authority;
- iv) Corporate Mastercard documentation;
- v) Environmental questionnaire & disclosure statement;
- vi) Credit information and Alberta Land Titles Office Name Search Consent Form;
- vii) Amalgamation Documentation;

(b) Corporate Guarantors:

- i) Incorporation documents including Certificate of Incorporation, Articles of Incorporation (including any amendments) and last Notice of Directors;
- ii) Certificate of signing authority;
- iii) Corporate guarantee resolution;

(c) General:

- i) Documents related to AML Laws, government sanction and "know your client" laws;
- ii) Opinion from counsel to Borrower and any Guarantors;
- iii) Opinion from counsel to Lender.

13) DRAWDOWNS, PAYMENTS AND EVIDENCE OF INDEBTEDNESS

- (a) Interest on Prime-based loans is calculated on the daily outstanding principal balance, and is payable on the last day of each month.
- (b) Other than with respect to overdrafts, Borrower shall provide notice to Lender in order to request an advance or make a repayment or conversion of Borrowings under this Agreement, as follows:
 - i) For Borrowings:
 - a) under Cdn. \$5,000,000 – same day notice
 - b) Cdn. \$5,000,000 and over – one Business Day prior written notice
- (c) If Letters of Credit are available under the Agreement, the term of each Letter of Credit shall not exceed one (1) year, although automatic extensions thereof (unless notified by Lender) are permitted. On any demand being made by a beneficiary for payment under a Letter of Credit, the amount so paid shall be automatically deemed to be outstanding as a Prime-based loan under the relevant Facility.
- (d) Borrower may cancel the availability of any unused portion of a Facility on five Business Days' notice. Any such cancellation is irrevocable.
- (e) The annual rates of interest or fees to which the rates calculated in accordance with this Agreement are equivalent, are the rates so calculated multiplied by the actual number of days in the calendar year in which such calculation is made and divided by 365.
- (f) If the amount of Borrowings outstanding under any Facility, when converted to the Equivalent Amount in Canadian dollars, exceeds the amount available under such Facility, Borrower shall, unless Lender otherwise agrees in its sole discretion, immediately repay such excess to Lender.
- (g) If any amount due under this Agreement is not paid when due, Borrower shall pay interest on such unpaid amount (including without limitation, interest on interest) if and to the fullest extent permitted by Applicable Law, at a rate per annum 5% greater than the interest rate otherwise payable for such amount under this Agreement.
- (h) The branch of Lender (the "**Branch of Account**") where Borrower maintains an account and through which the Borrowings will be made available is located at Bonnyville, 4902 - 50th Avenue West, Bonnyville, Alberta, T9N 2G3. Funds under the Facilities will be advanced into and repaid from account no. 746-00803297100 at the Branch of Account, or such other branch or account as Borrower and Lender may agree upon from time to time.
- (i) Lender shall open and maintain at the Branch of Account accounts and records evidencing the Borrowings made available to Borrower by Lender under this Agreement. Lender shall record the principal amount of each Borrowing and the payment of principal, interest and fees and all other amounts becoming due to Lender under this Agreement. Lender's accounts and records (and any confirmations issued under this Agreement) constitute, in the absence of manifest error, conclusive evidence of the indebtedness of Borrower to Lender pursuant to this Agreement.
- (j) Borrower authorizes and directs Lender to automatically debit, by mechanical, electronic or manual means, any bank account of Borrower for all amounts payable by Borrower to Lender pursuant to this Agreement. Any amount due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day, and interest shall accrue accordingly.

- (k) If a Financial Market Disruption has occurred, Lender shall have the option exercisable by written notice to Borrower to refuse any additional funding of any Facility, or to postpone the additional funding of any Facility until, in the reasonable opinion of Lender, the Financial Market Disruption has ceased.
- (l) Lender shall have the right to set-off and apply any funds of the Loan Parties (or any of them) deposited with or held by Lender from time to time, and any other indebtedness owing to the Loan Parties by Lender, against any of the amounts outstanding under this Agreement from time to time.
- (m) If a Letter to Credit is outstanding at any time that the obligations under the Facilities become immediately due and payable pursuant to the terms of the Agreement, Borrower will forthwith pay to Lender cash collateral in an amount equal to the maximum undrawn amount of that Letter of Credit. The proceeds of that payment will be held by Lender for set-off against the liability of Borrower to Lender in respect of that Letter of Credit. Lender will credit Borrower with interest on these proceeds at the prevailing rate for comparative term deposits maturing on the date that any such Letter of Credit is returned for cancellation by the beneficiary or has expired (as applicable).
- (n) If revolvment of loans is permitted in this Agreement, principal advances and repayments on Prime-based loans are to be in the minimum sum of Cdn. \$25,000.00 or multiples of it.

14) MISCELLANEOUS

- (a) Borrower acknowledges that the terms of this Agreement are confidential, and Borrower agrees not to disclose the terms hereof or provide a copy hereof to any Person without the prior written consent of Lender, unless and to the extent required by Applicable Law.
- (b) All reasonable legal and other costs and expenses incurred by Lender in respect of the Facilities, the Security Documents and other related matters will be paid or reimbursed by Borrower on demand by Lender, whether or not any Borrowings are made.
- (c) All Security Documents will be prepared by or under the supervision of Lender's solicitors, unless Lender otherwise permits. Acceptance of this offer will authorize Lender to instruct Lender's solicitors to prepare all necessary Security Documents and proceed with related matters.
- (d) Lender, without restriction, may waive in writing the satisfaction, observance or performance of any of the provisions of this Agreement. The obligations of a Guarantor (if any) will not be diminished, discharged or otherwise affected by or as a result of any such waiver, except to the extent that such waiver relates to an obligation of such Guarantor. Any waiver by Lender of the strict performance of any provision hereof will not be deemed to be a waiver of any subsequent default, and any partial exercise of any right or remedy by Lender shall not be deemed to affect any other right or remedy to which Lender may be entitled. No delay on the part of Lender in exercising any right or privilege will operate as a waiver of that right or privilege, and no delay or waiver of any failure or default will operate as a waiver of any subsequent failure or default unless made in writing and signed by an authorized officer of Lender.
- (e) Borrower shall reimburse Lender for any additional cost or reduction in income or capital arising as a result of:
 - i) the imposition of, or increase in, taxes on payments due to Lender under this Agreement (other than taxes on the overall net income of Lender);
 - ii) the imposition of, or increase in, any reserve or other similar requirement; or

- iii) the imposition of, or change in, any other condition affecting the Facilities imposed by any Applicable Law or the interpretation thereof;

all provided Lender is or will be generally claiming similar compensation from its other borrowers in similar circumstances and no more than 180 days have passed since the date of such imposition, increase or change.

- (f) Words importing the singular will include the plural and vice versa, and words importing gender will include the masculine, feminine and neuter, in each case all as the context and the nature of the parties requires.
- (g) Where more than one Person is liable as Borrower (or as a Guarantor) for any obligation under this Agreement, then the liability of each such Person for such obligation is joint and several with each other such Person.
- (h) If any portion of this Agreement is held invalid or unenforceable in any jurisdiction, the remainder of this Agreement will not be affected and will be valid and enforceable to the fullest extent permitted by law and any such invalidity or unenforceability will not invalidate or render unenforceable that provision in any other jurisdiction. To the extent that any provision of any of the Security Documents conflict or are inconsistent with any of the provisions of this Agreement, this Agreement shall govern and prevail to resolve any such conflict or inconsistency in any and all circumstances, such that the provisions of this Agreement shall be paramount to and supersede the conflicting or inconsistent provision of the Security Documents.
- (i) Where the interest rate of a credit is based on Prime, the applicable rate on any day will depend on the Prime rate in effect on that day, as applicable. The statement by Lender as to Prime and as to the rate of interest applicable to a credit on any day will be binding and conclusive for all purposes.
- (j) All interest rates specified are nominal annual rates. The effective annual rate in any case will vary with payment frequency. All interest payable under this Agreement bears interest after as well as before maturity, default and judgment with interest on overdue interest at the applicable rate payable hereunder. To the extent permitted by law, Borrower waives the provisions of the *Judgment Interest Act* (Alberta). Borrower confirms that it fully understands and is able to calculate the rate of interest applicable to each of the Facilities and all Borrowings based on the methodology for calculating per annum rates provided for in this Agreement and the other Loan Documents. Borrower hereby irrevocably agrees not to plead or assert, whether by way of defence or otherwise, in any proceeding relating to this Agreement or any other Loan Document, that the interest payable under this Agreement or any other Loan Document and the calculation thereof has not been adequately disclosed to Borrower as required pursuant to Section 4 of the *Interest Act* (Canada).
- (k) All notices and other communications (each referred to as the "Notice") permitted or required to be given to any of the parties hereto will be in writing and may be delivered personally, by registered prepaid mail (except during an actual or threatened postal disruption) or sent by facsimile or e-mail transmission to the addresses, e-mail address or facsimile numbers indicated on the cover letter of this Agreement or to such other address or facsimile number as will be designated by such party by notice in writing to the other parties.

The Notice will be deemed to have been delivered:

- i) in the case of personal delivery, when the Notice is delivered to the party receiving the Notice during business hours on a Business Day;

- ii) in the case of registered mail, on the second Business Day after the Notice was deposited in the mail; and
 - iii) in the case of facsimile or electronic transmission, on the day the Notice was sent provided such notice is sent before 4:00 p.m. on a Business Day.
- (l) Unless otherwise specified, references in this Agreement to "\$" and "dollars" mean Canadian dollars.
- (m) If for the purpose of obtaining judgment in any court in any jurisdiction with respect to this Agreement, it is necessary to convert into the currency of such jurisdiction (the "**Judgment Currency**") any amount due under this Agreement in any currency other than the Judgment Currency, then conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgment is given. For this purpose, rate of exchange means the rate at which Lender would, on the relevant date, be prepared to sell a similar amount of such currency against the Judgment Currency, in accordance with normal banking procedures. In the event that there is a change in the rate of exchange prevailing between the Business Day before the day on which judgment is given and the date of payment of the amount due, Borrower will, on the date of payment, pay such additional amounts as may be necessary to ensure that the amount paid on such day is the amount in the Judgment Currency which, when converted at the rate of exchange prevailing on the date of payment, is the amount then due under this Agreement in such other currency. Any additional amount due from Borrower under this paragraph will be due as a separate debt and shall not be affected by judgment being obtained for any other sums due in connection with this Agreement.
- (n) No Loan Party will assign any of its respective rights or obligations under this Agreement without the prior written consent of Lender. Lender will have the right to assign, sell or participate its rights and obligations in the Facilities to one or more Persons ("**Participants**") without the consent of any Loan Party. For this purpose, Lender may disclose, on a confidential basis, to a potential Participant any information concerning the Loan Parties as Lender considers appropriate. Each Loan Party will execute any documentation and take any actions as Lender may reasonably request in connection with any assignment or participation. The provisions of this Agreement will be binding upon and enure to the benefit of each Loan Party and Lender and their successors and permitted assigns.
- (o) In addition to any other indemnity provided for in this Agreement, each Loan Party agrees to indemnify Lender and any receiver, receiver manager or similar Person appointed under Applicable Law, and their respective shareholders, affiliates, officers, directors, employees and agents, and "**Indemnified Party**" means any one of the foregoing, on demand against any loss, expense or liability which such Indemnified Party may sustain or incur as a consequence of the action or inaction of any Loan Party whatsoever, including, without limitation:
- i) any default in payment of the principal amount of any Borrowing or any part thereof or interest accrued thereon, as and when due and payable;
 - ii) any failure to fulfill on or before any drawdown date the conditions precedent to any Borrowing as provided for in this Agreement, if as a result of that failure that Borrowing is not made on that date, including but not limited to any loss or expense sustained or incurred in liquidating or redeploying deposits or other funds contracted for or acquired or used to effect or maintain any part of that Borrowing ;
 - iii) the occurrence of any applicable default under this Agreement;
 - iv) any misrepresentation made by a Loan Party in this Agreement or in any instrument in writing delivered to Lender in connection with this Agreement;



- v) any failure to comply with any Applicable Laws, including, without limitation, any environmental law; or
- vi) any default in the payment or performance of any covenant to pay or remit present or future taxes, or to make and remit withholdings or deductions with respect to any taxes or Priority Payables,

This indemnity will: (i) survive the repayment or cancellation of any of the Facilities or any termination of this Agreement; and (ii) not apply to any Indemnified Party to the extent directly caused by the gross negligence or wilful misconduct on the part of such Indemnified Party.

- (p) A Loan Party's obligations under this section 14 continue even after all Facilities have been repaid and this Agreement has terminated.
- (q) Each accounting term used in this Agreement, unless otherwise defined in this Agreement, has the meaning assigned to it under GAAP consistently applied throughout the relevant period and relevant prior periods. If there occurs a change in generally accepted accounting principles (an "Accounting Change"), and such change would result in a material change in the calculation of any financial covenant, standard or term used in this Agreement, then at the request of Borrower or Lender, Borrower and Lender shall enter into negotiations to amend such provisions so as to reflect such Accounting Change with the result that the criteria for evaluating the financial condition of Borrower or any other party, as applicable, shall be the same after such Accounting Change, as if such Accounting Change had not occurred. If, however, within 30 days of the foregoing request by Borrower or Lender, Borrower and Lender have not reached agreement on such amendment, the method of calculation shall not be revised and all amounts to be determined shall be determined without giving effect to the Accounting Change. For the purposes of this Agreement, including for the purposes of any Financial Covenants pursuant to Section 8 hereof, any lease which would be accounted for under GAAP as in effect on December 31, 2018 (the "Change Date") shall be, notwithstanding any subsequent change in GAAP, deemed to continue to be accounted for in the same manner as an operating lease was accounted for on the date hereof, notwithstanding and regardless of the implementation under GAAP of IFRS 16 (regardless of whether such lease is entered into or assumed before or after the Change Date), and, for certainty, any obligations incurred thereunder shall not constitute capital or financial lease transactions.
- (r) A Loan Party's information, corporate or personal, may be subject to disclosure without its consent pursuant to provincial, federal, national or international laws as they apply to the product or service Borrower has with Lender or any third party acting on behalf of or contracting with Lender. The Loan Parties acknowledge that, pursuant to AML Laws, government sanction and "know your client" laws, Lender may be required to obtain, verify and record information regarding the Loan Parties, their respective subsidiaries, directors, authorized signing officers, direct or indirect shareholders or other Persons, in control of any Loan Party and the transactions contemplated thereby. The Loan Parties shall promptly provide all such information, including supporting documentation and other evidence, as may be reasonably requested by Lender, or any prospective assignee or participant hereunder, in order to comply with applicable AML Laws, government sanction and "know your client" laws, whether now or hereafter in existence.
- (s) This Agreement will not merge upon the execution and delivery of any other Loan Documents, but will remain in full force and effect thereafter.
- (t) This Agreement supersedes and replaces all prior discussions, letters and agreements (if any) describing the terms and conditions of any Facility established by Lender in favour of Borrower.

- (u) Lender agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed:
- i) to its affiliates and to its Related Parties (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential);
 - ii) to the extent required or requested by any regulatory authority purporting to have jurisdiction over such Person or its Related Parties (including the Office of the Superintendent of Financial Institutions or similar body and any self-regulatory authority, such as the National Association of Insurance Commissioners);
 - iii) to the extent required by Applicable Laws or regulations or by any subpoena or similar legal process;
 - iv) to any other party hereto;
 - v) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder;
 - vi) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or participant in, or any prospective assignee of or participant in, any of its rights and obligations under this agreement, or (ii) any actual or prospective party (or its Related Parties) to any swap, derivative or other transaction under which payments are to be made by reference to Borrower and its obligations, this agreement or payments hereunder;
 - vii) to any financial institution, credit reporting agency, rating agency or credit bureau in connection with rating Borrower or its Subsidiaries or the Facilities;
 - viii) with the consent of Borrower; or
 - ix) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section, or (y) becomes available to Lender or any of their respective affiliates on a non-confidential basis from a source other than Borrower.

For purposes of this Section, "**Information**" means all information received from Borrower or any of its Subsidiaries relating to Borrower or any of its Subsidiaries or any of their respective businesses, other than any such information that is available to Lender on a non-confidential basis prior to disclosure by Borrower or any of its Subsidiaries; provided that, in the case of information received from Borrower or any of its Subsidiaries after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

- (v) Each Loan Party will from time to time promptly upon request by Lender do and execute all acts and documents as may be reasonably required by Lender to give effect to the Facilities and the Loan Documents, and to any assignment or participation made by Lender pursuant to this Agreement.
- (w) If, after the date hereof, the introduction of or any change in any Applicable Law or in its interpretation or application of any Applicable Law by any court or by any governmental authority charged with the administration of any Applicable Law, makes it unlawful or

prohibited for Lender to make, to fund or to maintain its commitment or any portion thereof or to perform any of its obligations under this Agreement (any such unlawful or prohibited funding, maintenance or performance being an "Unlawful Obligation"), then Lender may, by thirty days written notice to Borrower (unless the provision of the Applicable Law requires earlier prepayment in which case the notice period will be that shorter period as required to comply with the Applicable Law), terminate its obligations under this Agreement or, at the option of Lender, terminate only those of its obligations under this Agreement that constitute Unlawful Obligations, and, in that event, Borrower will prepay Borrowings owing to Lender forthwith (or at the end of that period as Lender in its discretion agrees), without notice or penalty (other than breakage costs), together with all accrued but unpaid interest and fees as may be applicable to the date of payment, or Lender may, by written notice to Borrower, convert those Borrowings forthwith into another basis of Borrowing available under this Agreement if such other basis of Borrowing would not be an Unlawful Obligation.

- (x) Time shall be of the essence in all provisions of this Agreement.
- (y) This Agreement may be executed by one or more of the parties on any number of separate counterparts (whether in original ink, by facsimile or in another electronic format), and all those counterparts taken together will be deemed to constitute one and the same instrument. The delivery of a facsimile or other electronic copy of an executed counterparty to this Agreement shall be deemed to be valid execution and delivery of this Agreement, but the party delivering such facsimile or other electronic copy shall make reasonable efforts to deliver an original copy of this Agreement as soon as possible after delivery of such facsimile or other electronic copy.
- (z) This Agreement shall be governed by the laws of Alberta. Each of the Loan Parties and Lender irrevocably and unconditionally agree that any suit, action or other legal proceeding (collectively, a "Suit") instituted by Lender and arising out of this Agreement shall be brought and adjudicated only in Alberta, and each Loan Party waives and agrees not to assert by way of motion, as a defence or otherwise at any such Suit, any claim that such Loan Party is not subject to the jurisdiction of the above courts, that such Suit is brought in an inconvenient forum or that the venue of such Suit is improper.

15) SCHEDULES

The following Schedules form part of this Agreement and are incorporated in this Agreement by reference:

- Schedule "A" – Form of Compliance Certificate
- Schedule "B" – Form of Borrowing Base Certificate

16) DEFINITIONS

In this Agreement, including the Schedules and in all notices given pursuant to this Agreement, capitalized words and phrases shall have the meanings given to them in this Agreement in their proper context, and words and phrases not otherwise defined in this Agreement but defined below shall have the meanings given to them as set forth below.

"Accounts Receivable" means, whether now existing or hereafter arising, any accounts, accounts receivable, other receivables, choses in action, general intangibles, chattel paper, instruments, documents, notes and contract rights related to or evidencing the obligations or the receivables arising under any sales or services transactions provided by the Loan Parties to any person in the ordinary course of business and which amounts shall be periodically reported to the Lender in the Borrowing Base Certificate pursuant to Section 7.



"**Agreement**" means this agreement between Lender and Borrower, including any attached schedules, as the same may be amended, restated, renewed, extended or supplemented from time to time.

"**AML Laws**" means all laws, rules and regulations relating to money laundering or terrorist financing, including, without limitation, the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada), Part II.1 of the *Criminal Code* (Canada), the *Regulations Implementing the United Nations Resolutions on the Suppression of Terrorism* (Canada) and the *United Nations Al-Qaida and Taliban Regulations* (Canada).

"**Anti-Corruption Laws**" means all laws, rules and regulations relating to bribery or corruption, including, without limitation, the *Corruption of Foreign Public Officials Act* (Canada).

"**Applicable Law**" means all applicable provisions of federal, provincial, state or local laws, statutes, rules, regulations, official directives and orders of any level of government or governmental authority, agency, board, bureau, department or commission (including any taxing authority) or instrumentality or office of any of the foregoing (including any court or tribunal).

"**ASPE**" means Accounting Standards for Private Enterprise together with their accompanying documents which are set by the International Accounting Standards Board, the independent standard-setting body of the International Accounting Standards Committee Foundation (the "**IASC Foundation**"), and the International Financial Reporting Interpretations Committee, the interpretative body of the IASC Foundation but only to the extent the same are adopted by the Canadian Institute of Chartered Accountants ("**CICA**") as generally accepted accounting principles in Canada and then subject to such modifications thereto as are agreed by CICA.

"**Borrowing Base**" means with respect to the Loan Parties, the aggregate of the following, without duplication, calculated monthly or as otherwise required hereunder:

- (a) 75% of the value of all Eligible A/R at that time,
- (b) plus 85% of the value of all Investment Grade A/R at that time,
- (c) plus 40% of the value of all Eligible Inventory at that time (to a maximum of \$7,500,000),
- (d) less the value of all Priority Payables and Liable Payables at that time, and
- (e) less the value of any outstanding Letters of Credit at that time.

"**Borrowing Base Certificate**" means a certificate executed by a senior officer of Borrower in the form attached hereto as Schedule "B".

"**Borrowings**" means all amounts outstanding under the Facilities, or if the context so requires, all amounts outstanding under one or more of the Facilities or under one or more borrowing options of one or more of the Facilities.

"**Business Day**" means a day, excluding Saturday and Sunday, on which banking institutions are open for business in the province of Alberta.

"**Canadian A/R**" means any Accounts Receivable denominated in Canadian dollars due to any of the Loan Parties by any Person resident in Canada.

"**Change of Control**" means the occurrence of any of the following events without the written consent of Lender:

- (a) any Person or Persons acting jointly or in concert (within the meaning of the *Securities Act* (Alberta)), shall beneficially, directly or indirectly, hold or exercise control or direction over and/or have the right to hold or exercise control or direction over (whether such right is exercisable immediately or only after the passage of time) more than 20% of the issued and outstanding voting shares of Borrower;
- (b) during any period of two consecutive years, individuals who at the beginning of such period constitute the board of directors of a Loan Party cease, for any reason, to constitute at least a majority of the board of directors of such Loan Party unless the election or nomination for election of each new director was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of the period (the "**Incumbent Directors**") and in particular, any new director who assumes office in connection with or as a result of any actual or threatened proxy or other election contest of the board of directors of such Loan Party shall never be considered an Incumbent Director;
- (c) a change in the composition of management of a Loan Party which in the opinion of Lender would constitute a Material Adverse Change; or
- (d) a Loan Party or Loan Parties cease to own, control and direct 100% of the shares of any Guarantor.

"**Commodity Swap**" means an agreement entered into between a Person and a counterparty on a case by case basis, the purpose and effect of which is to mitigate or eliminate such Person's exposure to fluctuations in commodity prices, whether physically or financially settled.

"**Compliance Certificate**" means a certificate executed by a senior officer of Borrower in the form attached hereto as Schedule "A".

"**Contra Accounts Payable**" means any credit balance offsetting the debit balance of an Account Receivable from the same Person.

"**Contractor Lien**" means, in respect of any Loan Party, the following:

- (a) undetermined or inchoate liens and charges incidental to construction or current operations which have not at such time been filed pursuant to law or which relate to obligations not due or delinquent or the validity of which is being contested in good faith by appropriate proceedings; and
- (b) liens arising by operation of law such as builders' liens, carriers' liens, materialmen's liens and other liens of a similar nature which relate to obligations not due or delinquent or the validity of which is being contested in good faith by appropriate proceedings.

"**Cryptocurrency Assets**" means any cryptocurrency, mining, datacentres and all related assets and facilities.

"**Currency Swap**" means a contract entered into between a Person and a counterparty on a case by case basis in connection with forward rate, currency swap or currency exchange and other similar currency related transactions, the purpose and effect of which is to mitigate or eliminate such Person's exposure to fluctuations in exchange rates.

"**Current Assets**" means, as at the day of calculation, the amount of current assets of Borrower as determined in accordance with GAAP on a consolidated basis, but in any event excluding any amounts arising as a result of the mark-to-market position of Borrower due to Swap contracts.

"Current Liabilities" means, as at the day of calculation, the amount of current liabilities of Borrower as determined in accordance with GAAP on a consolidated basis, but in any event excluding any amounts arising as a result of the mark-to-market position of Borrower due to Swap contracts excluding the current portion of long-term debt including current portion of capital leases, less future income taxes and any amounts formally postponed to Lender. Facility #1 is to be included in Current Liabilities.

"Current Ratio" means, as at the day of calculation, the ratio of (i) Current Assets to (ii) Current Liabilities.

"EBITDA" means, for any period, net income (excluding extraordinary items) from continuing operations plus, to the extent deducted in determining net income, Interest Expense and income taxes expensed during the period, and depreciation, depletion and amortization deducted for the period.

"Eligible A/R" means with respect to the Loan Parties, the aggregate of the following, without duplication and calculated monthly, or as otherwise required hereunder:

- (a) the value of all Accounts Receivable at that time,
- (b) less the value of all Ineligible A/R at that time,
- (c) less the value of all Investment Grade A/R at that time,
- (d) less the value of all Related Company A/R at that time,
- (e) less the value of all Contra Accounts Payable at that time,
- (f) less the value of all Holdback A/R at that time, and
- (g) less the value of all Insured A/R at that time.

"Eligible Inventory" means with respect to the Loan Parties, the aggregate of the following, without duplication, and calculated monthly, or as otherwise required hereunder:

- (a) the value of all Inventory at that time,
- (b) less the value of all Ineligible Inventory at that time.

"Equity" means, as at the day of calculation determined in accordance with GAAP on a consolidated basis, an amount equal to the amount of shareholders' equity of Borrower, including share capital, retained earnings and postponed advances from affiliates/shareholders (if postponed on terms and in a manner acceptable to Lender) but excluding:

- (a) the redemption amount of any preferred shares of Borrower which are redeemable at the option of the holder (to the extent they are included in Long Term Debt or Funded Debt);
- (b) the amount of any convertible debentures issued (to the extent they are included in Long Term Debt or Funded Debt);
- (c) advances to affiliates/shareholders;
- (d) goodwill; and
- (e) intangible assets.

"Equivalent Amount" means, with respect to an amount of any currency, the amount of any other currency required to purchase that amount of the first mentioned currency through Lender in accordance with normal banking procedures.

"Financial Market Disruption" means the (i) occurrence, coming into effect or announcement of any event of provincial, national or international consequence, or of any law, regulation, enquiry, proceeding, or political or economic condition, which, in the opinion of Lender, acting reasonably, may or may reasonably be expected to materially and adversely affect the Alberta, Canadian, United States or global financial markets generally, or operates to prevent or restrict the trading in, or materially and adversely affects the pricing of, Government of Canada bonds (or such other instrument which Lender uses as a reference for determining the interest rates hereunder); or (ii) determination by Lender, acting in a commercially reasonable manner in the circumstances, that the cost of funds associated with a Facility is in excess of a level that is commercially acceptable to Lender in the circumstances.

"Fixed Charge Coverage Ratio" means, for any period, the ratio of (i) EBITDA minus shareholder remuneration, minus Unfunded Capital Expenditures and minus all income taxes expensed during the period (excluding deferred taxes) to (ii) Fixed Charges, all for such period.

"Fixed Charges" means, for any period, Interest Expense plus all scheduled principal payments in respect of Funded Debt plus all dividends declared.

"Funded Debt" means, in respect of Borrower as at the day of calculation, all outstanding non-postponed interest-bearing debt (but only excluding such postponed debt if it is postponed on terms and in a manner acceptable to Lender), including capital leases (as defined according to GAAP), debt subject to scheduled repayment terms and letters of credit/guarantees, plus (to the extent not included in Equity):

- (a) the redemption amount of any preferred shares of Borrower which are redeemable at the option of the holder; and
- (b) the amount of any convertible debentures issued.

"Generally Accepted Accounting Principles" or **"GAAP"** means generally accepted accounting principles which are in effect from time to time in Canada, including, for certainty, International Financial Reporting Standards (IFRS), Accounting Standards for Private Enterprises (ASPE), Accounting Standards for Not-for-Profit Organisations and Accounting Standards for Pension Plans, as applicable, (each only to the extent adopted by the Canadian Institute of Chartered Accountants Accounting Standards Board ("CICA") or any successor thereto as generally accepted accounting principles in Canada and then subject to such modifications thereto as are agreed by CICA).

"Guarantor" means any party that has provided a guarantee in favour of Lender with respect to the Borrowings under this Agreement.

"Holdback A/R" means any Accounts Receivable where a sum of money remains unpaid until certain conditions are met, or that sum of money is kept as a reserve to cover certain contingencies, or any portion of a construction loan amount that is not released until a certain stage is reached, or any portion of payment to a contractor held by a customer until the job is finished to the customer's satisfaction, or any amount subject to builder's liens or related legislation.

"Indebtedness" means all present and future obligations and indebtedness of a Person, whether direct or indirect, absolute or contingent, including all indebtedness for borrowed money, all obligations which are due and payable in respect of swap or hedging arrangements and all other liabilities which in accordance with GAAP would appear on the liability side of a balance sheet (other than items of capital, retained earnings and surplus or deferred tax reserves).



"Ineligible A/R" means any Accounts Receivable where amounts are not yet invoiced, accounts in dispute (but only to the amount of such account actually in dispute), intercompany accounts, accounts subject to set-off, amounts due to sub-contractors billed as accounts receivable, amounts billed for services not as yet completed, accounts subject to undue credit risk and the entire amount of accounts outstanding where any portion thereof is outstanding for more than 90 days (120 days for Investment Grade A/R) after the date of invoice to the specific customer, provided that the under 90 day (120) day for Investment Grade A/R) portion thereof may be included where the over 90 day (120 day Investment Grade A/R) portion thereof is less than 10 percent of the aggregate account.

"Ineligible Inventory" means any Inventory items where ownership is in dispute, subject to a materialmen's lien or suppliers lien, is partially complete, obsolete, or deemed unsalable.

"Insured A/R" means, whether now existing or hereafter arising, any foreign or domestic accounts, accounts receivable, other receivables, choses in action, general intangibles, chattel paper, instruments, documents, notes and contract rights related to or evidencing the obligations or the receivables arising under any sales or services transactions provided by the Loan Parties, which specific accounts receivable are covered by trade credit insurance (which has been shipped and billed), for the maximum allowable trade credit insurance coverage for such accounts receivable and which amounts shall be periodically reported to the Lender in the Borrowing Base Certificate pursuant to Section 7; provided that the following shall be excluded from calculating the value of Insured A/R at any time:

- (a) Ineligible A/R;
- (b) Related Company A/R;
- (c) Contra Accounts Payable; and
- (d) Holdback A/R.

"Interest Expense" means, for any period, the cost of advances of credit during that period, including interest charges, the interest component of capital leases, capitalized interest, fees payable on bankers' acceptances and guaranteed notes, and fees payable in respect of letters of credit and letters of guarantee.

"Interest Swap" means a contract entered into between a Person and a counterparty, on a case by case basis, in connection with interest rate swap transactions, interest rate options, cap transactions, floor transactions, collar transactions and other similar interest rate related transactions, the purpose and effect of which is to mitigate or eliminate such Person's exposure to fluctuations in interest rates.

"Inventory" means unencumbered inventory of Borrower (including raw materials and finished goods but excluding work in progress).

"Investment Grade A/R" means, whether now existing or hereafter arising, any accounts, accounts receivable, other receivables, choses in action, general intangibles, chattel paper, instruments, documents, notes and contract rights related to or evidencing the obligations or the receivables arising under any sales or services transactions provided by the Loan Parties to specific customers of the Loan Parties resident in Canada or the United States, which specific customers shall have a minimum S&P or DBRS credit rating of BBB+ or deemed equivalent at Lender's sole discretion and subject to change at any time and which amounts shall be periodically reported to the Lender in the Borrowing Base Certificate pursuant to Section 7; provided that the following shall be excluded from calculating the value of Investment Grade A/R at any time:

- (a) Ineligible A/R;
- (b) Related Company A/R;

- (c) Contra Accounts Payable; and
- (d) Holdback A/R.

"Lender" means ATB Financial formerly Alberta Treasury Branches.

"Letter of Credit" means a standby or documentary letter of credit or letter of guarantee issued by Lender on behalf of Borrower.

"Lienable Payables" means, in respect of any project in which any Loan Party has any interest that may be subject to any Contractor Lien, all amounts due from any Loan Party to any holder of any Contractor Lien that causes any work to be done or supplies any materials to be used in or in respect of such project in respect of which any Contractor Lien may be filed.

"Loan Documents" means this Agreement, the Security Documents and each instrument, agreement, certificate, application, request, indemnity and other document of any nature or kind now or hereafter executed in connection with this Agreement or any Security Documents, all as amended, restated and replaced from time to time.

"Loan Parties" means Borrower and all Guarantors, other than any Guarantors that are natural persons, and "Loan Party" means any of them.

"Long Term Debt" means, as at the day of calculation and as determined in accordance with GAAP on a consolidated basis, all indebtedness, obligations and liabilities of Borrower which would be classified as long term debt upon a balance sheet of Borrower, plus (to the extent not included in Equity):

- (a) the redemption amount of any preferred shares of Borrower which are redeemable at the option of the holder; and
- (b) the amount of any convertible debentures issued.

"Material Adverse Change" means any change, event, violation, circumstance or effect which, when considered individually or when aggregated with other changes, events, violations, circumstances or effects, is or would reasonably be expected to have a Material Adverse Effect.

"Material Adverse Effect" means a material adverse effect on the condition (financial or otherwise), property, assets, operations, business or prospects of the Loan Parties taken as a whole, or a material adverse effect on the ability of Borrower to repay the Facilities or on the ability of any Loan Party to perform its obligations under any Loan Document to which it is a party.

"Material Contract" means any right, interest, agreement, arrangement or understanding entered into by any Loan Party, whether written or oral, the loss or termination of which (without replacement), or under which the acceleration of any payment obligation, in each case by or of such Loan Party, would have a Material Adverse Effect.

"Net Senior Funded Debt to EBITDA" means in respect of the Borrower, Senior Funded Debt less unencumbered and unrestricted cash of Borrower to EBITDA calculated on a trailing 12 month (TTM) basis.

"Permitted Encumbrances" means, in respect of any Loan Party, the following:

- (a) liens for taxes, assessments or governmental charges not yet due or delinquent or the validity of which is being contested in good faith;

- (b) liens arising in connection with workers' compensation, unemployment insurance, pension, employment or other social benefits laws or regulations which are not yet due or delinquent or the validity of which is being contested in good faith;
- (c) liens under or pursuant to any judgment rendered or claim filed which are or will be appealed in good faith provided any execution thereof has been stayed;
- (d) undetermined or inchoate liens and charges incidental to construction or current operations which have not at such time been filed pursuant to law or which relate to obligations not due or delinquent or the validity of which is being contested in good faith by appropriate proceedings;
- (e) liens arising by operation of law such as builders' liens, carriers' liens, materialmen's liens and other liens of a similar nature which relate to obligations not due or delinquent or the validity of which is being contested in good faith by appropriate proceedings;
- (f) easements, rights-of-way, servitudes or other similar rights in land (including, without in any way limiting the generality of the foregoing, rights-of-way and servitudes for railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light and power and telephone or telegraph or cable television conduits, poles, wires and cables) granted to or reserved or taken by other Persons which singularly or in the aggregate do not materially detract from the value of the land concerned or materially impair its use in the operation of the business of such Loan Party;
- (g) security given to a public utility or any municipality or governmental or other public authority when required by such utility or municipality or other authority in connection with the operations of such Loan Party, all in the ordinary course of its business which singularly or in the aggregate do not cause a Material Adverse Effect;
- (h) the reservation in any original grants from the Crown of any land or interests therein and statutory exceptions to title;
- (i) operating leases;
- (j) capital or financial lease transactions (according to GAAP), or sale-leaseback transactions, where the indebtedness represented by all such transactions does not at any time exceed \$750,000 in aggregate;
- (k) security interests granted or assumed to finance the purchase of any property or asset (a "Purchase Money Security Interest") where:
 - i) the security interest is granted at the time of or within 60 days after the purchase,
 - ii) the security interest is limited to the property and assets acquired, and
 - iii) the indebtedness represented by all Purchase Money Security Interests does not at any time exceed \$100,000 in aggregate; and
- (l) security interests or liens (other than those hereinbefore listed) of a specific nature (and excluding for greater certainty floating charges) on properties and assets having a fair market value not in excess of \$100,000 in aggregate;

and for certainty, the permission to create a Permitted Encumbrance shall not be construed as a subordination or postponement, express or implied, of the Security Documents to such Permitted Encumbrance.

"Person" means any natural person, corporation (including a business trust and a public benefit corporation), limited liability company, unlimited liability corporation, trust, joint venture, association, company, partnership, joint stock company, firm, enterprise, unincorporated association, governmental authority or other entity.

"Prime" means the prime lending rate per annum established by Lender from time to time for commercial loans denominated in Canadian dollars made by Lender in Canada.

"Priority Payable" means, at any time, any liability of any Loan Party to any Person that ranks, in right of payment in any circumstances, equal to or in priority to any liability of a Loan Party to Lender, and may include unpaid wages, salaries and commissions, unremitted source deductions for employment insurance premiums or Canada Pension Plan contributions, vacation pay, arrears of rent, unpaid taxes, withholding tax liabilities, goods and services taxes, all sales and consumption taxes, harmonized sales tax, customs duties, amounts owed in respect of workers' compensation, amounts owed to unpaid vendors who have a right of repossession, and amounts owing to creditors which may claim priority by statute or under a Purchase Money Security Interest.

"Related Company A/R" means any Accounts Receivable due to any of the Loan Parties by any Person that does not have an arm's-length relationship with such Loan Party, where such Person has the ability to exercise control or significant influence, directly or indirectly, over operating, investing or financing activities. For the purposes of this definition, two or more Persons are related if they are subject to common control, joint control or significant influence.

"Related Parties" means, with respect to any Person, such Person's affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's affiliates.

"Sanctions" means any sanctions or trade embargoes imposed, administered or enforced from time to time by any relevant sanctions authority including, without limitation, under the *United Nations Act* (Canada), the *Special Economic Measures Act* (Canada) and the *Export and Import Permits Act* (Canada).

"Subordinated Debt" means Indebtedness of Borrower:

- (a) the primary terms of which including, without limitation, its interest rate, payment schedule and maturity date, and the proposed use of funds, are all satisfactory to Lender,
- (b) which has been validly and absolutely postponed and subordinated in right of payment and collection to the permanent repayment in full of the Borrowings to the satisfaction of Lender, and
- (c) which is unsecured or with respect to which all security, if any, held for that Indebtedness has been fully subordinated to the security granted under the Loan Documents to the satisfaction of Lender.

"Subsidiary" means

- (a) a person of which another Person alone or in conjunction with its other subsidiaries owns an aggregate number of voting shares sufficient to elect a majority of the directors regardless of the manner in which other voting shares are voted; and
- (b) a partnership of which at least a majority of the outstanding income interests or capital interests are directly or indirectly owned or controlled by such Person,

and includes a Person in like relation to a Subsidiary.

October 16, 2019

"Swap" means a Commodity Swap, Currency Swap or Interest Swap.

"Unfunded Capital Expenditures" means, for any period, the sum of all capital expenditures not financed or paid for by (i) new equity, (ii) advances under the Facilities (excluding Facility #1 (the Revolving Operating Facility)), and (iii) Permitted Encumbrances.



SCHEDULE "A"

FORM OF COMPLIANCE CERTIFICATE

To: ATB Financial
Corporate Financial Services
25th Floor, 10020 – 100 Street NW
Edmonton, AB T5J 0N3
Attention: Paul Spiller

I, _____ hereby certify as of the date of this certificate as follows:

- (a) I am the _____ [insert title] of JMB Crushing Systems Inc. ("Borrower") and I am authorized to provide this certificate to you for and on behalf of Borrower.
- (b) This certificate applies to the [month/fiscal quarter/fiscal year] ending _____.
- (c) I am familiar with and have examined the provisions of the [amended and restated, if renewal] letter agreement (the "Agreement") dated _____, 20____ between Borrower and ATB Financial, as lender, and have made reasonable investigations of corporate records and inquiries of other officers and senior personnel of Borrower and of any Guarantor. Terms defined in the Agreement have the same meanings when used in this certificate.
- (d) No event or circumstance has occurred which constitutes or which, with the giving of notice, lapse of time, or both, would constitute a breach of any covenant or other term or condition of the Agreement and there is no reason to believe that during the next fiscal quarter of Borrower, any such event or circumstance will occur.

OR

We are or anticipate being in default of the following terms or conditions, and our proposed action to meet compliance is set out below:

Description of any breaches and proposed action to remedy: _____

- (e) Our financial ratios are as follows:
 - i) the Current Ratio is ____:1.00, being not less than the required ratio of 1.25:1.00;
 - ii) the ratio of Net Senior Funded Debt to EBITDA is ____:1.00, being not more than the required ratio of 3.50:1.00 until Q1 2020 and 3.00:1.00 thereafter;
 - iii) Unfunded Capital Expenditures in this fiscal year are \$ _____, being not more than \$750,000.00;
 - iv) the Fixed Charge Coverage Ratio is ____:1.00, being not less than the required ratio of 1.25:1.00.
- (f) The detailed calculations of the foregoing ratios and covenants are set forth in the addendum annexed hereto and are true and correct in all respects.

This certificate is given by the undersigned officer in his/her capacity as an officer of Borrower without any personal liability on the part of such officer.

Dated this _____ day of _____, 20__.

JMB Crushing Systems Inc.

Per: _____
Name: _____
Title: _____



APPENDIX

(I) THE CURRENT RATIO IS ____:1, CALCULATED AS FOLLOWS:

Current Assets: \$ _____

divided by:

Current Liabilities excluding current portion of long-term debt, less future income taxes and any amounts formally postponed to Lender. Includes Facility #1: \$ _____

(II) THE RATIO OF NET SENIOR FUNDED DEBT TO EBITDA IS ____:1.00, CALCULATED AS FOLLOWS:

Funded Debt = \$ _____

all non-postponed interest-bearing debt

+ (if not already included)

- capital lease obligations + \$ _____
- debt subject to scheduled repayment terms + \$ _____
- letters of credit/letters of guarantee + \$ _____

+ (to extent not included in Equity):

- preferred shares redeemable at option of holder + \$ _____
- convertible debentures + \$ _____

excluding subordinated debt less unencumbered and unrestricted cash - \$ _____

= \$ _____

EBITDA = \$ _____

net income (excluding extraordinary items) from continuing operations

+ (to extent deducted in determining net income)

- Interest Expense + \$ _____
- income taxes expensed + \$ _____
- depreciation, depletion and amortization + \$ _____

= \$ _____

(III) UNFUNDED CAPITAL EXPENDITURES IN THIS FISCAL YEAR ARE \$ _____, DETAILED AS FOLLOWS:



(IV) THE FIXED CHARGE COVERAGE RATIO IS ___:___, CALCULATED AS FOLLOWS:

EBITDA=	
net income (excluding extraordinary items) from continuing operations	\$ _____
+ (to extent deducted in determining net income)	
• Interest Expense	+ \$ _____
• income taxes expensed	+ \$ _____
• depreciation, depletion and amortization	+ \$ _____
minus Unfunded Capital Expenditures (capital expenditures not financed by new equity, the Facilities (excluding the operating loan) and Permitted Encumbrances)	- \$ _____
minus all income taxes expensed during the period (excluding deferred taxes)	- \$ _____
	= \$ _____
divided by:	
Fixed Charges =	
Interest Expense	\$ _____
+ scheduled principal payments on Funded Debt (i.e. non-postponed interest-bearing debt including capital leases, debt subject to scheduled repayment terms and letters of credit/letters of guarantee, plus (to extent not included in Equity), preferred shares redeemable at option of holder and convertible debentures)	+ \$ _____
+ dividends declared	+ \$ _____
	= \$ _____
	= \$ _____

SCHEDULE "B"

FORM OF BORROWING BASE CERTIFICATE

To: ATB Financial
Corporate Financial Services
25th Floor, 10020 – 100 Street NW
Edmonton, AB T5J 0N3
Attention: Paul Spiller

I, _____ hereby certify as of the date of this certificate as follows:

- (a) I am the _____ [insert title] of JMB Crushing Systems Inc. ("Borrower") and I am authorized to provide this certificate to you for and on behalf of Borrower.
- (b) This certificate applies to the [month/fiscal quarter/fiscal year] ending _____.
- (c) I am familiar with and have examined the provisions of the [amended and restated, if renewal] letter agreement (the "Agreement") dated _____, 20____ between Borrower and ATB Financial, as lender, and have made reasonable investigations of corporate records and inquiries of other officers and senior personnel of Borrower and of any Guarantor. Terms defined in the Agreement have the same meanings when used in this certificate.
- (d) Attached hereto is a listing of all Canadian A/R, Investment Grade A/R, Insured A/R and any Priority Payables as at the end of [month/year], as required by Section 7 of the Agreement.
- (e) The total value of the Inventory as at the end of [month/year] is: _____.
- (f) The total amount of the Borrowing Base as at the end of [month/year] is: _____.
- (g) The Borrower hereby confirms that the principal amount of all Borrowings, in aggregate, under Facility #1 does not exceed, and has not at any time exceeded, the Margin Limit (as evidenced by a schedule attached hereto by the Borrower confirming its calculations).
- (h) Attached hereto is a listing of all aged accounts payable (including Lienable Payables) of the Borrower on a consolidated basis, allocating trade payables (including Lienable Payables) and accruals for the Borrower on a consolidated basis, as at the end of [month/year], as required by Section 7 of the Credit Agreement.
- (i) The Borrower hereby represents and warrants that this Certificate is a correct statement regarding the status of the Borrowing Base and the amounts set forth herein are in compliance with the provisions of the Credit Agreement.

This certificate is given by the undersigned officer in his/her capacity as an officer of Borrower without any personal liability on the part of such officer.

Dated this ____ day of _____, 20__.

JMB Crushing Systems Inc.


Per: _____
Name: _____
Title: _____

APPENDIX

CANADIAN WORKING CAPITAL:

Canadian A/R	\$ _____	(1)		
Ineligible A/R	\$ _____	(2)		
Investment Grade A/R	\$ _____	(3)	_____ %	\$ _____ -
Related Company A/R	\$ _____	(4)		
Contra Accounts Payable	\$ _____	(5)		
Holdback A/R	\$ _____	(6)		
Other (Insured A/R, etc)	\$ _____	(7)	_____ %	\$ _____ -
Eligible A/R (1-2-3-4-5-6-7)	= \$ _____		_____ %	\$ _____ -
Inventory	\$ _____	(8)		
Ineligible Inventory	\$ _____	(9)		
Eligible Inventory (8-9)	= \$ _____		_____ %	\$ _____ -
Additional collateral 1	\$ _____		_____ %	\$ _____ -
Additional collateral 2	\$ _____		_____ %	\$ _____ -
Margin value of assets				= \$ _____ (10)
				\$ _____ (11)
LESS:				
Priority Payables and Lienable Payables				\$ _____ (12)
BORROWING BASE (10+11-12)				_____ - (13)
LESS: (only remove if carved out)				
Letters of Credit				\$ _____ (14)
				\$ _____ (15)
Available Limit (13-14-15)				= _____ -
AVAILABLE LIMIT ROUNDED				= \$ _____ -

THIS IS EXHIBIT "G" REFERRED TO IN
THE AFFIDAVIT OF JEFF BUCK
SWORN BEFORE ME
THIS 16 DAY OF APRIL, 2020


A Commissioner of Oaths and Notary Public
in and for the Province of Alberta

Alex Matthews
Barrister & Solicitor



This Agreement made effective this [●~~3~~rd] day of November ~~November~~ December, 2018 (the "Effective Date").

AMONG:

JMB CRUSHING SYSTEMS INC., a body corporate duly formed by amalgamation under the laws of the Province of British Columbia (hereinafter referred to as the "**Borrower**")

- and -

EASTSIDE ROCK PRODUCTS, INC., a body corporate duly incorporated under the laws of the State of Washington (hereinafter referred to as the "**Guarantor**")

- and -

INTEGRATED PRIVATE DEBT FUND V LP, by its general partner **INTEGRATED PRIVATE DEBT FUND GP INC.** (hereinafter referred to as the "**Lender**")

AMENDED AND RESTATED LOAN AGREEMENT

PREAMBLE

WHEREAS:

- A. JMB Crushing Systems ULC (the "**Prior Borrower**"), as borrower, the Guarantor, as guarantor and the Lender, as lender, are parties to a loan agreement, dated as of March 28, 2017, as amended by an amending agreement dated June 21, 2017 and as further amended by a second amending agreement dated June 7, 2018 (the "**Prior Loan Agreement**");
- B. The Prior Borrower, Resource Land Fund V, LP, JMB Crushing Systems Inc. ("**JMB Newco**"), JBuck & Sons Inc. ("**JBuck**"), JMB Investco (CAN) L.P. ("**JMB CAN LP**"), JMB Investco (US) II L.P. ("**JMB US II LP**") and JMB Investco (US) L.P. ("**JMB US LP**"), entered into a share purchase agreement dated November 21, 2018, pursuant to which all of the issued and outstanding shares in the capital of the Prior Borrower were transferred by JBuck, JMB CAN LP, JMB US II LP and JMB US LP to JMB Newco (the "**Transaction**");
- C. The Prior Borrower changed its legal name on November 22, 2018 to 1610880 Alberta ULC ("**1610880**") and continued its existence into the Province of British Columbia on November 27, 2018 under the same legal name;
- D. Pursuant to a vertical short form amalgamation under subsection 273(1) of the *Business Corporations Act* (British Columbia) 1610880 amalgamated with JMB Newco on ~~November 27, December~~ [3], 2018 to form the Borrower (the "**Amalgamation**");
- E. The Borrower desires to maintain the Credit Facilities established by the Lender in favour of the Prior Borrower pursuant to the Prior Loan Agreement;

- F. The Lender has consented to the Prior Borrower entering into the Transaction and the Amalgamation and performing its obligations thereunder and is prepared to maintain the Credit Facilities with the Borrower upon the terms and conditions herein set forth;
- G. The Lender, the Borrower and the Guarantor wish to amend and restate the Prior Loan Agreement on the terms and conditions set forth herein;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises and mutual covenants herein contained, the Borrower, the Guarantor and the Lender agree that, as of the Effective Date, the Prior Loan Agreement is amended and restated in its entirety as follows:

1. Definitions

In this Agreement unless there is something in the subject matter or context inconsistent therewith:

- (a) "Additional Guarantor" means such Subsidiaries of the Borrower from time to time that provide Security in pursuant to Section 16(bb):
- (b) "Advance" means any actual or deemed advance, extension or utilization of credit pursuant to this Agreement;
- (c) ~~(b)~~ "Agreement" means this loan agreement, as the same may be amended, restated, modified, supplemented or replaced from time to time in accordance with the provisions hereof;
- (d) ~~(e)~~ "Applicable Canada Bond" means with respect to a prepayment of an Advance the non-callable Government of Canada bond denominated in Cdn. currency determined by the Lender as having a remaining term to maturity closest to the remaining term to maturity of the Advance in respect of which the prepayment is to be made;] [NTD: Discuss whether reference to "prepayment" should be removed in all yield definitions MT to provide updated prepayment pricing mechanic.]
- (e) ~~(d)~~ "Applicable Canada Bond Yield" means with respect to the prepayment of an Advance, the arithmetic average (rounded to the nearest 1/100th of 1%) of the respective percentages reasonably determined by the Lender, calculated in accordance with the generally accepted financial practices, assuming monthly compounding, to be the yield to maturity, expressed as an annual rate of interest, on the Applicable Canada Bond on the 2nd Business Day preceding the date of such prepayment;] [NTD: MT to provide updated prepayment pricing mechanic.]
- (f) ~~(e)~~ "Applicable Law" means, with respect to any person, property, transaction or event, all present or future applicable laws, statutes, regulations, rules, orders, codes, treaties, conventions, judgments, awards, determinations and decrees of any governmental, regulatory, fiscal or monetary body or court of competent jurisdiction in any applicable jurisdiction, including all environmental laws;
- (g) ~~(f)~~ "Basis Points" or "bps" means one one-hundredth of one percent.
- (h) ~~(g)~~ "Borrower" means JMB CRUSHING SYSTEMS INC.;

- (i) ~~(h)~~ **"Business Day"** means a day other than Saturday, Sunday or other day on which commercial banks in Calgary, Alberta or Toronto, Ontario are required by Applicable Law to close;
- (j) ~~(i)~~ **"Capital Lease"** means any lease or other arrangement relating to real or personal property which should, in accordance with Generally Accepted Accounting Principles, be required to be classified and accounted for as a capital lease on the consolidated balance sheet of the Borrower, and, for certainty, includes Permitted Future Capital Leases;
- (k) ~~(j)~~ **"Capital Lease Obligation"** of any Person means the obligations of such Person under any Capital Lease to which it is a party;
- (l) ~~(k)~~ **"Change in Control"** means any one of the following: (i) Resource Land Fund V, LP, its affiliates and Jeff Buck cease to hold fifty (50%) percent of the outstanding shares of the Borrower; ~~or~~ (ii) in any Fiscal Year, the majority of the Board of Directors of the Borrower changes; or (iii) Jeff Buck ceases to be a senior executive of the Borrower and is not replaced by a person or persons acceptable to the Lender, acting reasonably; ~~[NTD: IAM/Borrower to confirm] provided that, notwithstanding the foregoing (including, for certainty, subparagraph (ii) above), a substitution, addition or change of directors of the Borrower shall not constitute a Change in Control where such newly appointed director or directors are employees or members of Resource Land Holdings, LLC;~~
- (m) ~~(l)~~ **"Chattels"** means all the machinery, equipment, furniture, vehicles, goods and tangible personal property of the Borrower as well as every interest of such Loan Party therein, whether as purchaser under a conditional sale agreement, as mortgagor under a chattel mortgage or as lessee under a rental or rental/purchase agreement including all equipment, accessories, tools and appliances thereto now or thereafter fixed or appertaining thereto or used in connection therewith and all other machinery, equipment, furniture, vehicles, goods and Chattels now or hereafter owned or acquired by such Loan Party whether in addition thereto, substitution therefore, replacement thereof, or otherwise;
- ~~(n) **"Closing Date"** means the date upon which the conditions precedent in relation to the effectiveness of this Agreement have been satisfied or waived by the Lender;~~
- (n) **"Collateral"** means all real and personal property (and the revenues, insurance proceeds, issues, profits, proceeds and products of the foregoing) which are subject, or are intended or required to become subject, to the Security or Encumbrance granted under any of the Loan Documents.
- ~~(o) **"Commitment Fee"** means the sum of Two Hundred Thirty Thousand (\$230,000.00) Dollars, being One (1.000%) percent of the Credit Facilities, less Fifty Thousand (\$50,000) Dollars received as an initial payment of an application fee, payable as follows: (i) Ninety Thousand (\$90,000) Dollars payable on the Tranche I Advance;~~
- ~~(ii) Forty Thousand (\$40,000) Dollars payable on the Tranche II Advance;~~
and

- (iii) ~~Fifty Thousand (\$50,000) Dollars payable on the Tranche III Advance;~~
- (o) ~~(p)~~ **"Compliance Certificate"** means a certificate addressed to the Lender and executed by the Borrower in the form attached as Schedule B attached hereto;
- (p) ~~(q)~~ **"Credit Facilities"** means the aggregate of the Tranche I Advance, the Tranche II Advance and the Tranche III Advance;
- (q) ~~(r)~~ **"Current Assets"** means, at any time, those assets ordinarily realizable within one (1) year from the date of determination or within the normal operating cycle, where such cycle is longer than one (1) year;
- (r) ~~(s)~~ **"Current Liabilities"** means, at any time, amounts payable within one year from the date of determination or within the normal operating cycle, where such cycle is longer than a year (the operating cycle must correspond with that used for Current Assets).
- (s) ~~(t)~~ **"Current Ratio"** means the Current Assets divided by the Current Liabilities, excluding the current portion of long term debt.
- (t) ~~(u)~~ **"Debt Service Coverage"** means consolidated earnings before interest, tax, depreciation and amortization and any other non-cash expenses acceptable to the Lender less un-financed capital expenditure, advances to related parties deferred charges, dividends, Distributions and cash taxes, divided by the total of scheduled principal repayments on all consolidated debt and interest payments;
- (u) ~~(v)~~ **"Distribution"** means any amount paid to or on behalf of the employees, directors, officers, shareholders or partners of any Loan Party or to any Related Person thereto, by way of salary, bonus, commission, management fees, directors' fees, dividends, redemption of shares, distribution of profits, or otherwise, and whether payments are made to such persons in their capacity as shareholders, partners, directors, officers, employees, owners or creditors of any Loan Party or otherwise, or any other direct or indirect payment in respect of earnings or capital of any Loan Party; provided however that (A) the payment of salaries and management fees from time to time to partners, officers and employees of a Loan Party in the ordinary course of business at levels not in excess of (i) normal industry remuneration and (ii) those in existence as at the Closing Date of the Tranche I Advance shall not be considered Distributions, and (B) the issuance of capital stock (or any related option) of any Loan Party to any existing shareholder thereof, and the issuance of capital stock (or any related option) of any Loan Party to any employee under such Loan Party's long-term incentive plan shall not be considered Distributions;
- (v) ~~(w)~~ **"EBITDA"** means earnings on a consolidated basis before interest, taxes, depreciation, depletion expenses and amortization, but does not include such non-cash items as stock based compensation, loss/gain on disposal of assets and/or any one time/non-recurring items;
- (w) ~~(x)~~ **"Encumbrance"** means, with respect to any Person or any property, any mortgage, debenture, pledge, hypothec, lien, charge, lease, sublease, easement, preference, priority, assignment by way of security, hypothecation or security interest granted or permitted by such Person or arising by operation of law, in respect of any of such Person's property or assets, or any consignment by way of security or Capital Lease Obligations of such Person as consignee or



lessee, as the case may be, or any other security agreement, trust or arrangement having the effect of security for the payment of any debt, liability or other obligation, including title reservations, limitations, provisos or conditions, and "**Encumbrances**" and "**Encumbered**" have corresponding meanings;

- (x) ~~(y)~~ "**Event of Default**" means the occurrence ~~at of~~ any event listed in Section 21 hereof;
- (y) ~~(z)~~ "**Fiscal Year**" means, in respect of the Borrower, its fiscal year commencing on the 1st of January each year and ending on 31st of December of that same year, or such other fiscal year as may be agreed to by the Lender;
- (z) ~~(aa)~~ "**Generally Accepted Accounting Principles**" means those accounting principles recommended by the Canadian Institute of Chartered Accountants and includes any recommendation in its Handbook concerning accounting treatment or statement presentation, such recommendation shall be regarded as the only generally accepted accounting principle applicable to the circumstances that it covers and reference herein to "Generally Accepted Accounting Principles" shall be interpreted accordingly;
- ~~(aa)~~ ~~(bb)~~ "**Governmental Authority**" means (i) any government or political subdivision thereof national, provincial, county, municipal or regional having jurisdiction in the relevant circumstances; (ii) any agency or instrumentality of any such government, political subdivision or other government entity (including any central bank or comparable agency); (iii) any court, arbitral tribunal or arbitrator; and (iv) any non-government regulating body, to the extent that the rules, regulations or orders of such body have the force of law;
- ~~(bb)~~ ~~(cc)~~ "**Government of Canada Bond Yield**" means the Applicable Canada Bond Yield as defined at the stated time of determination;
- ~~(cc)~~ ~~(dd)~~ "**Guarantor**" means **EASTSIDE ROCK PRODUCTS, INC.;**
- ~~(dd)~~ ~~(ee)~~ "**Indebtedness**" means the principal sum or aggregate amount outstanding at any given time of all loans and advances made, or which may be made, by the Lender to the Borrower (including the Credit Facilities) and interest on such loans and advances and all costs, charges and expenses of, or incurred by the Lender, in connection with any Security and in connection with all property covered by or comprised in such Security (whether in protecting, preserving, realizing or collecting any such Security or property or attempting so to do or otherwise), and all other obligations and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, of the Borrower to the Lender arising from this or any agreement or dealings between the Lender and the Borrower or from any agreement or dealings with any person by which the Lender may be or become in any manner whatsoever a creditor of the Borrower or otherwise howsoever arising and whether the Borrower be bound alone or with another or others and whether as principal or surety. Without limiting the generality of the foregoing, the definition of the word "Indebtedness" includes all reasonable legal fees and disbursements incurred by the Lender as between a solicitor and his own client in connection with the preparation, execution and registration as appropriate, of any Loan Document and in respect of any actions which may be taken by the Lender to collect any monies constituting part of the Indebtedness, including, without limitation, protecting, preserving, realizing or collecting on any Security or property or attempting so to do or otherwise, it being the express intention of the parties that the word "Indebtedness" include such amount as is necessary to



indemnify and save harmless the Lender from all such costs, expenses and monies as aforesaid;

(ee) ~~(ff)~~ ["Interest Rate" means the a rate of interest equal to the greater of:

- (i) six and seventy-five one hundredths (6.75%) percent per annum; and
- (ii) the Applicable Canada Bond Yield plus 425 Basis Points; INTD: MT to update.

(ff) ~~(gg)~~ "Interest Rate Differential" means the greater of:

- (i) three (3) months interest calculated in accordance with this Agreement; and
- (ii) the premium equal to the difference between:
 - (A) the present value of the Credit Facilities interest and the principal payments which are foregone, discounted at the Applicable Canada Bond Yield, (on a compounded monthly equivalent basis, as determined by the Lender), for the term from the date of prepayment to the date of original maturity plus 50 Basis Points; and
 - (B) the face value of the principal amount being prepaid at the date of prepayment;

(gg) ~~(hh)~~ "Lands" means those lands located in the Province of Alberta with the following legal description:

THE NORTH EAST QUARTER OF SECTION THIRTY FIVE (35)
TOWNSHIP FIFTY SIX (56)
RANGE SIX (6)
WEST OF THE FOURTH MERIDIAN
CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS
EXCEPTING THEREOUT: HECTARES (ACRES)

MORE OR LESS			
A) PLAN 6430 KS	- ROAD	0.417	1.03
B) PLAN 395 RS	- ROAD	0.615	1.52
C) PLAN 92225R5	- ROAD	0.407	1.01

EXCEPTING THEREOUT ALL MINES AND MINERALS

(hh) ~~(ii)~~ "Loan Documents" means, collectively, this Agreement, the Security and each agreement, instrument and each certificate, agreement or document executed in connection with or pursuant to any of the foregoing, in each case as



the same may be amended, restated, modified, supplemented or replaced from time to time;

- (ii) ~~(jj)~~ **"Loan Parties"** means the Borrower and the Guarantor and each Additional Guarantor, from time to time, and each is a **"Loan Party"**;
- (jj) **"Material Adverse Effect"** means a material adverse effect on any one or more of the following:
 - (i) the business, financial condition, operations, assets or capitalization of a Loan Party on a consolidated basis and taken as a whole; or
 - (ii) the ability of a Loan Party to pay or perform the obligations under this Agreement or the ability of a Loan Party to pay or perform any of its obligations or contingent obligations under any Security or any underlying agreements or document delivered pursuant to this Agreement or the Security.
- (kk) **"Material Agreement"** means an agreement made between the Borrower and another person which if terminated by reason of breach, wrongdoing or neglect by or on behalf of the Borrower would result, or would have a reasonable likelihood of resulting, in an Event of Default or a ~~material adverse change in the position, financial or otherwise~~ Material Adverse Effect in respect of the Borrower, and those agreements specifically listed in Schedule G;
- (ll) **"Maturity Date"** means the date that is the Maturity Date Tranche I, Maturity Date Tranche II and Maturity Date Tranche III, as applicable;
- (mm) **"Maturity Date Tranche I"** means the date that is Eighty-Four (84) months from the date of the Tranche I Advance;
- (nn) **"Maturity Date Tranche II"** means the date that is Eighty-Four (84) months from the date of the Tranche II Advance;
- (oo) **"Maturity Date Tranche III"** means the date that is Eighty-Four (84) months from the date of the Tranche III Advance;
- (pp) **"Maximum Allowable Interest"** has the meaning ascribed to such term in Section 8(b)(ii);
- (qq) **"Operating Facility"** means the credit facility provided to the Borrower by the Operating Lender to finance operating expenses in an amount not exceeding the Operating Lender Credit Facilities Limit;
- (rr) **"Operating Lender"** means (i) ATB Financial and (ii) any future Lender to the Borrower, or any of them, providing credit facilities solely to finance operating expenses of the Borrower, such lender to be acceptable to the Lender, acting reasonably.
- (ss) **"Operating Lender Credit Facilities and Security Documents"** means the loan and security documents granted in relation to the Operating Facility from time to time, including those loan and security documents granted to and in favour of ATB Financial;



- (tt) **"Operating Lender Credit Facilities Limit"** means the aggregate of all borrowings under the Operating Facility in an amount not exceeding, in the aggregate for the Borrower, the following:
- (i) Eleven Million Five Hundred Thousand (\$11,500,000.00) Dollars for the time period from October 31, 2018 until November 30, 2018, and
 - (ii) Ten Million (\$10,000,000.00) Dollars at all times thereafter, or such other amount as may be agreed from time to time in accordance with the terms of this Agreement;
- ~~(uu) "Origination Fee" means the sum of One Hundred Eighty Thousand (\$180,000.00) Dollars as set out in the Term Sheets, being One (1.00%) percent of the Credit Facilities, payable to Proven Financial Group as follows:~~
- ~~(i) One Hundred Forty Thousand (\$140,000) Dollars on the Tranche I Advance; and~~
 - ~~(ii) Forty Thousand (\$40,000) Dollars payable on the Tranche II Advance;~~
- (uu) ~~(ww)~~ **"Permitted Encumbrances"** means the Operating Lender Credit Facilities and Security Documents, the Security, Permitted Future Capital Leases and those Encumbrances and registrations registered against the Borrower and described in Schedule A attached hereto and forming part of this Agreement;
- (vv) ~~(ww)~~ **"Permitted Future Capital Leases"** means those certain Capital Leases entered into by the Borrower after the advance of the Credit Facilities provided always that that the maximum aggregate expenditure for all such leases shall not exceed One Million (\$1,000,000) Dollars for the Borrower in a calendar year;
- (ww) ~~(xx)~~ **"Person"** means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, limited partnership, Governmental Authority or other entity;
- (xx) ~~(yy)~~ **"Related Person"** in relation to any person means a subsidiary, affiliate, associate, employee or partner of such person, or an associate of such employee (the terms "subsidiary", "affiliate" and "associate" having the respective meanings ascribed thereto in the Canada *Business Corporations Act*;
- (yy) ~~(zz)~~ **"Relevant Jurisdiction"** means, from time to time, with respect to a Person that is granting Security hereunder, any province or territory of Canada or state of the United States of America in which such Person is incorporated or formed, has its chief executive office or chief place of business or has Collateral and, for greater certainty, includes the provinces set out in Schedule H;
- (zz) ~~(aaa)~~ **"Request for Funds"** means a certificate addressed to the Lender and executed by the Borrower in the form attached as Schedule F attached hereto;
- (aaa) ~~(bbb)~~ **"Security"** means any security or security documentation (including any evidences of debt) as more fully described in Section 13 hereof, to be given by the Borrower a Loan Party to the Lender (including, for certainty, the Security to be delivered by a Subsidiary pursuant to Section 16(bb)) to secure the Indebtedness or acquired or required by the Lender, hereunder or hereafter and includes any amendments thereto or renewals or substitutions thereof;

- (bbb) "Subsidiary" of any Person means any other Person of which shares or other equity units having ordinary voting power to elect a majority of the board of directors or other individuals performing comparable functions, or which are entitled to or represent more than 50% of the owners' equity or capital or entitlement to profits, are owned beneficially or controlled, directly or indirectly, by any one or more of that first Person and the Subsidiaries of that first Person, and includes any other Person in like relationship to a Subsidiary of that first Person.
- (ccc) "Term Sheets" means those certain letters delivered March 2, 2017 and May 31, 2018, on behalf of the Lender to the Borrower prior to the date hereof, and any amendments thereto or substitutions therefore, copies of which are attached hereto and marked as Schedule D.
- (ddd) "Total Senior Funded Debt" means the Credit Facilities, senior long term debt, Capital Leases and the balance outstanding on the Operating Facility;
- (eee) "Tranche I Advance" means up to Fourteen Million (\$14,000,000) Dollars;
- (fff) "Tranche II Advance" means up to Four Million (\$4,000,000) Dollars; and
- (ggg) "Tranche III Advance" means up to Five Million (\$5,000,000) Dollars.

2. Preamble and Schedules

The parties hereby confirm and ratify the matters contained and referred to in the Preamble to this Agreement and agree that the Schedules attached hereto are expressly incorporated into and form part of this Agreement.

3. Advances

Subject to the terms hereof, the Borrower may borrow the Tranche I Advance, the Tranche II Advance and the Tranche III Advance under the Credit Facilities in accordance with the terms hereof.

4. Notice of Borrowing

The Borrower shall give the Lender the Request for Funds not later than ten (10) Business Days prior to the date of any Advance under the Credit Facilities.

5. Evidence of Indebtedness

The Borrower acknowledges that the actual recording of the amount of any Advance or repayment thereof, and interest, fees and other amounts due in connection with the Credit Facilities, in the accounts maintained by the Lender, shall constitute *prima facie* evidence, absent manifest error, of the Borrower's indebtedness and liability from time to time under the Loan Documents; provided that the obligation of the Borrower to pay or repay any amounts in accordance with the terms and conditions of Loan Documents shall not be affected by the failure of the Lender to make such recording. The Borrower hereby acknowledges being indebted to the Lender for the principal amount outstanding from time to time under the Credit Facilities, and all accrued and unpaid issuance fees, interest, or other fees.

6. The Credit Facilities

Each of the Tranche I Advance, the Tranche II Advance and the Tranche III Advance shall bear interest at the Interest Rate.

7. Repayment

The Borrower agrees to repay the Credit Facilities with interest as aforesaid calculated daily not in advance, as follows:

- (a) in relation to the Tranche I Advance, blended monthly payments of principal and interest at the Interest Rate for Eighty-Four (84) months following the date of the Tranche I Advance all as more particularly specified in the amortization and payment schedule set out in the attached Schedule E;
- (b) in relation to the Tranche II Advance, blended monthly payments of principal and interest at the Interest Rate for Eighty-Four (84) months following the date of the Tranche II Advance all as more particularly specified in the amortization and payment schedule set out in the attached Schedule E-1;
- (c) in relation to the Tranche III Advance, blended monthly payments of principal and interest at the Interest Rate for Eighty-Four (84) months following the date of the Tranche III Advance all as more particularly specified in the amortization and payment schedule set out in the attached Schedule E-2; and
- (d) the full amount of the Credit Facilities plus interest or any other amounts owing hereunder or pursuant to the provisions of the Security shall be due and payable on the applicable Maturity Date.

8. Interest

- (a) The Borrower agrees to pay interest on the unpaid principal amount of each Advance outstanding from time to time from the date of Advance until repayment in full of such Advance, at a rate per annum (calculated on the basis of a 365/366 day year), equal to the Interest Rate. Interest at such rate shall be payable both before and after demand, default, maturity and the obtaining of any judgment by the Lender against the Borrower and all interest on becoming overdue shall be treated, as to payment of further interest, as principal and shall bear compound interest at the rate payable with respect to the Credit Facilities both before and after the obtaining of any judgment by the Lender against the Borrower to the extent permitted by Applicable Law.
- (b) Notwithstanding anything to the contrary hereinbefore or hereinafter contained in the Loan Documents or any of them, the parties hereto expressly acknowledge, covenant and agree that:
 - (i) the Loan Documents shall not constitute an agreement or arrangement whereby or pursuant to which the Lender would or will receive Interest on the Advance at a Criminal Rate of Interest;
 - (ii) this Agreement shall at all times be construed, interpreted and, to the extent required, deemed to have been amended to reflect and provide that the maximum Interest that the Lender is and shall be entitled to



charge and receive in respect of the Advance shall be 1/10th of 1% less than the Criminal Rate (the "Maximum Allowable Interest");

- (iii) no payment or partial payment of interest on the Credit Facilities shall be in excess of the Maximum Allowable Interest;
 - (iv) any payment of Interest made by the Borrower on account of the Credit Facilities that would be in excess of the Maximum Allowable Interest or would otherwise be deemed to be at a Criminal Rate shall, in respect of the amount that is in excess of the Maximum Allowable Interest or is at a Criminal Rate, be deemed to be held in a suspense account, with the applicable Maturity Date being extended as necessary to make such payment less than the Maximum Allowable Interest; and
 - (v) for the purposes hereof, "Criminal Rate" and "Interest" shall have the meaning specified in the *Criminal Code of Canada*.
- (c) For purposes of the *Interest Act* (Canada) (A) whenever a rate of interest hereunder is calculated on the basis of a year (the "deemed year") which contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest shall be expressed as a yearly rate by multiplying such rate of interest by the actual number of days in the calendar year of calculation and dividing it by the number of days in the deemed year; (B) the principal of deemed reinvestment shall not apply to any interest calculation hereunder; and (C) the rates of interest quoted by Lender to the Borrower pursuant hereto are intended to be nominal rates and not effective rates or yields.

9. Prepayment

Provided no Event of Default has occurred and is continuing, the Borrower shall have the privilege to prepay all (and only all) of the Indebtedness outstanding at any time by provision of thirty (30) days' notice and payment of the Interest Rate Differential; provided however, that any partial prepayment shall in no way release the Borrower from its obligation to make any payments required pursuant to the provisions of the Security or this Agreement.

10. Pre-Authorized Payment

All sums to be paid to the Lender pursuant to this Agreement, whether for principal, interest or otherwise, shall be paid to the Lender by way of pre-authorized withdrawal. The Borrower has provided the Lender with an executed pre-authorized debit form to allow the Lender to charge all the payments due and payable under this Agreement.

~~11. No Obligation to Advance~~

- ~~11. [Notwithstanding anything herein contained the Lender shall be under no obligation to make any Advance with respect to the Credit Facilities or to provide any credit contemplated herein, the same always being in the sole, absolute, unfettered and arbitrary discretion of the Lender.] [NTD: Is it intended to be a committed facility? If so, delete.] **Reserved**~~

~~12. Fees~~

- ~~12. The Borrower acknowledges it is just and truly indebted and will pay the Commitment Fee to the Lender and will pay the Origination Fee to Proven Financial Group, and hereby irrevocably authorizes the Lender to deduct from the applicable Advance such sums as are necessary to pay each of the Commitment Fee and the Origination Fee, when due, in full. [NTD: Confirm whether these have been paid already and if so, delete.] **Reserved**~~

13. Security

As security for the payment of the Indebtedness and the due observance and performance by the Borrower of the obligations hereunder by it to be observed and performed, the Borrower agrees to execute and deliver, or cause to be executed and delivered, to the Lender forthwith upon execution of this Agreement the following security, all of which shall be in a form and content as approved and determined by the Lender and its solicitors in their sole discretion:

- (a) a general security agreement from the Borrower in favour of the Lender granting first ranked (other than in relation to accounts receivable and Permitted Encumbrances) security interest in all of its present and after-acquired personal property, assets and undertaking;
- (b) an assignment of the Material Agreements, to be effective on the occurrence of an Event of Default;
- (c) an unlimited guarantee and postponement of claim executed by the Guarantor, and each Additional Guarantor regarding the debts and obligations of the Borrower;
- (d) a security agreement from the Guarantor and each Additional Guarantor in favour of the Lender granting first ranked security interest in all of its present and after-acquired personal property, assets and undertaking;
- (e) landlord waivers and inter-creditor agreements as may be required by the Lender, to be obtained on a commercially reasonable efforts basis, if required;
- (f) an amended and restated inter-creditor agreement with the Operating Lender providing for priority to the Lender to all assets of the Borrower (other than in relation to accounts receivable and inventory);
- (g) a postponement and assignment of creditor's claims and postponement of security executed by each shareholder of the Borrower;
- (h) an assignment of insurance;



- (i) a certificate of insurance/binder letter showing the Lender as loss payee pursuant to the Standard Mortgage Clause provisions; and
- (j) such other security as may be reasonably required by the Lender.

The Borrower will from time to time at its expense duly authorize, execute and deliver to the Lender such further instruments and documents and take such further action as the Lender may reasonably request for the purpose of obtaining or preserving the full benefits granted or intended to be granted to the Lender for Security and of the rights and remedies therein granted to the Lender, including without limitation, the filing of financing statements or other documents under any Applicable Law with respect to the liens created thereby. Unless prohibited by Applicable Law, the Borrower authorizes the Lender to file any such financing statement or similar documents without the signature of the Borrower.

The Borrower acknowledge that changes to Applicable Law may require the execution and delivery of different forms of documentation and accordingly the Lender shall have the right to require that the Security be amended, supplemented or replaced (and the Borrower shall duly authorize, execute and deliver to the Lender on request any such amendment, supplement or replacement with respect to the Security to which any Borrower is a party): (i) to reflect any change in Applicable Law, whether arising as a result of statutory amendments, court decisions or otherwise; or (ii) to facilitate the creation and registration of appropriate forms of security in all applicable jurisdictions.

14. Conditions Precedent to Effectiveness

The effectiveness of this Agreement is subject to and conditional upon the prior satisfaction of the following conditions precedent:

- (a) at or prior to the Effective Date, no Event of Default shall have occurred and be continuing;
- (b) the Loan Parties shall have executed and delivered the Security not previously provided by the Loan Parties to the Lender;
- (c) the Borrower shall have delivered to the Lender and its solicitors a post-amalgamation reaffirmation agreement;
- (d) all of the representations and warranties of the Borrower herein shall be true and correct on and as of the Effective Date as though made on and as of such date; and
- (e) no other event shall have occurred that, in the Lender's sole discretion, materially adversely affects or could materially adversely affect either: (i) the business, assets, liabilities, prospects, financial condition or operations of any of the Loan Parties, or (ii) the value of the Collateral.

15. Conditions Precedent to All Advances

~~[Without in any limiting the~~ The Lender's right will not to make any Advance as hereinbefore provided,] the Lender will not make any Advance hereunder unless the following conditions have been satisfied or the Lender has agreed to waive the same:

- (a) no Event of Default shall have occurred and be continuing;

- (b) use of the proceeds of the Advance only for purposes stipulated in the Term Sheets and any other term sheets among the Borrower, the Guarantor and the Lender;
- (c) the Lender having received all fees required pursuant to the Term Sheets and any other term sheets among the Borrower, the Guarantor and the Lender;
- ~~(d) [the Lender having received a favourable report on the Borrower's title to the assets being secured;]~~
- (d) ~~(e)~~ all representations and warranties contained in this Agreement being true and correct in all material respects (unless made of a specific date);
- ~~(f) satisfactory priority agreement in place with the Operating Lender providing, inter alia, for the Operating Lender Credit Facilities Limit;~~
- (e) ~~(g)~~ there having been no material adverse change in the Borrower's business or its financial condition Material Adverse Effect since the Effective Date;
- ~~(h) [the Lender having received an updated desktop appraisal report, addressed to the Lender, showing the fair market value and orderly liquidation value of equipment subject to the Security;]~~
- (f) ~~(i)~~ the Lender having received consolidated audited financial statements for the Borrower and the Guarantor in respect of the fiscal year in which the Advance is being made;
- (g) ~~(j)~~ the Borrower providing a direction to pay to the Lender with respect to the Advance;
- (h) ~~(k)~~ satisfactory review of environmental remediation obligations and any potential liabilities;
- ~~(i) the Lender having received such legal opinions, corporate resolutions, incumbency and other certificates of each of the Loan Parties as the Lender may reasonably request in connection with the Advance and the transactions contemplated hereby;~~
- (i) ~~(m)~~ the Lender shall have received a Request for Funds not less than ten (10) Business Days prior to an Advance hereunder;
- (j) ~~(n)~~ the Lender shall have received from all of the secured creditors with liens registered against the assets as are to be financed by way of the Advance appropriate discharges or releases of security interests (other than Permitted Encumbrances); and
- ~~(e) the Borrower shall have satisfied the disbursement conditions set out in any Term Sheet not otherwise set out herein;~~
- ~~(p) the Lender shall have received a Compliance Certificate as required;~~
- (k) ~~(q)~~ the Borrower shall have delivered to the Lender a certificate signed by an authorized officer of the Borrower to the effect that as at the date of any Advance:



- (i) all representations and warranties set forth in this Agreement are true and correct (other than representations and warranties made as of a specific date);
- (ii) ~~there have been no material adverse changes in the position, financial or otherwise, of the Borrower from~~ has been no Material Adverse Effect since the date of this Agreement; and
- (iii) all conditions contained in this Agreement to be observed or performed by the Borrower have been observed or performed; ~~and (r) no other event shall have occurred that, in the Lender's sole discretion, materially adversely affects or could materially adversely affect the business, assets, liabilities, prospects, financial condition or operations of the Borrower.~~

16. **Affirmative Covenants**

Each Loan Party covenants and agrees that they each shall:

- (a) with respect to the Borrower, it will duly and punctually repay to the Lender amounts owing pursuant to the Credit Facilities and interest thereon at the Interest Rate and all other sums payable pursuant to the terms of this Agreement, on the dates, at the places, in the monies and in the manner provided for in the Loan Documents;
- (b) perform, observe and comply at all times with the covenants, terms, conditions, stipulations and provisos of the Loan Documents and other reasonable requirements stipulated by the Lender from time to time;
- (c) upon request of the Lender, execute and deliver or cause to be executed and delivered to the Lender such further and other documents, agreements, opinions, conveyances, mortgages, assignments, pledges and assurances from time to time as the Lender or its solicitors may reasonably require for the purpose of protecting or perfecting the Security, including any after acquired property whether or not now charged under the Security, all to be in such form and to contain such terms and conditions as may be required by the Lender's solicitors;
- (d) fully and effectually maintain and keep maintained the Security hereby created as valid and effective security at all times;
- (e) execute as required, and deliver to the Lender such other instruments of security, assurances and documentation as the Lender may require in accordance with the terms and conditions of Loan Documents, all of which instruments of security, evidences of indebtedness and documents shall be in such form and shall contain such terms and conditions as may be required by the Lender's solicitors;
- (f) repair and keep in repair and good order and condition all buildings, erections, machinery and other plant and equipment and appurtenances thereto, the use of which is necessary or advantageous in connection with its business, up to a modern standard of usage and maintain the same consistent with the best practice of other corporations having similar undertakings; renew and replace all and any of the same which may be worn, dilapidated, unserviceable, obsolete,



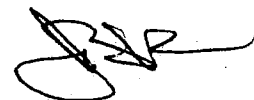
inconvenient or destroyed or may otherwise require renewal or replacement and at all reasonable times allow the Lender or its representative access to its premises in order to view the state and condition the same are in and in the event of any loss or damage thereto or destruction thereof, the Lender may give notice to the Borrower to repair, rebuild, replace or reinstate within a time to be determined by the Lender and to be stated in such notice and upon such Loan Party failing to so repair, rebuild, replace or reinstate within such time, such failure shall constitute default hereunder, and will keep all of its assets in good condition and repair and maintain and replace as required according to the nature thereof;

- (g) keep in good repair and free from all Encumbrances, other than the Security and Permitted Encumbrances, of any nature whatsoever any and all Chattels which are now or which may in the future be used either directly or indirectly in the operations and business of the Loan Parties;
- (h) duly and punctually pay all debts and obligations to or on behalf of or in respect of workmen, employees and others which, if unpaid, might under the laws of Canada or of the Provinces of Alberta or British Columbia (or the equivalent legislation applicable in the State of Washington) priority over the Security hereby created or any part thereof;
- (i) promptly pay the full amount of:
 - (i) any reasonable charges by or expenses of the Lender in inspecting, protecting or valuing each Loan Party's assets;
 - (ii) all costs, fees, disbursements, charges and expenses which have been or may be incurred by the Lender in negotiating the Credit Facilities; in investigating or perfecting title to each Loan Party's assets and the capacity of each Loan Party to borrow the money secured hereby; in preparing and registering the Security, and all documents incidental or collateral hereto; in advancing any portion of the monies secured under the Security, in taking, recovering and keeping or attempting to procure possession of each Loan Party's assets or any part thereof; in enforcing or attempting to enforce the personal remedies or any other remedies available under the Security; in collecting or attempting to collect any of the monies secured under the Security; in realizing or attempting to realize on any Security collateral hereto; in any foreclosure or other proceedings, judicial or otherwise, to protect each Loan Party's assets or to realize on the Security or any part thereof; or in connection with any receivership and if a solicitor is retained in connection with any of the foregoing, such solicitor's fees and disbursements shall be paid on a solicitor and his own client basis and, at the option of the Lender, on the basis of a lump sum bill; and if any other professional person or firm is retained or employed such person's or firm's fees shall be paid on the basis of his or its normal professional charges; and
 - (iii) all other reasonable costs and expenses of the Lender incurred in connection with the Credit Facilities;
- (j) pay or cause to be paid all sums that become due by a Loan Party to any person, including pursuant to the Operating Lender Credit Facilities and



Operating Lender Loan and Security Documents, subject to the obligation of such Loan Party to make payments to the Lender hereunder;

- (k) pay or cause to be paid all business taxes as and when the same become payable and upon request produce to the Lender receipts thereof; INTD: To discuss unpaid tax issue with MTJ
- (l) make or cause to be made all payments required pursuant to any mortgage, charge or Encumbrance which has priority to any of the Security;
- (m) maintain insurance on all of its assets and properties with financially sound and reputable insurance companies against such perils as is usual with corporations holding similar assets and properties and in an amount not less than their full insurable value, as required by the Term Sheets, and is acceptable to the Lender and its solicitors and provide proof of same to the Lender;
- (n) maintain public liability insurance with financially sound and reputable insurance companies as is usual for corporations conducting businesses similar to the Borrower and as is acceptable to the Lender and its solicitors and provide proof of same to the Lender;
- (o) forthwith upon request furnish at its own expense, a certificate of a competent appraiser or other competent person selected by the Lender as to the sufficiency or otherwise of any insurance and as to the type and amount thereof;
- (p) provide upon request any information, whether financial or otherwise, which the Lender may reasonably require from time to time;
- (q) keep adequate records and books of account in accordance with Generally Accepted Accounting Principles and permit upon reasonable notice by the Lender to the Borrower, the Lender by its agents, accountants and solicitors to enter upon the premises of a Loan Party and examine such Loan Party's records and books of account and make extracts therefrom and to discuss the records and books of account with officers of such Loan Party at such reasonable times as may be required by the Lender;
- (r) permit upon reasonable notice by the Lender to the Borrower, permit the Lender its servants and agents, to enter at all reasonable times into and upon the Lands and premises owned or occupied by a Loan Party and view the state and condition thereof and of all such Loan Party's assets;
- (s) give to the Lender prompt and immediate notice of any statement of claim, petition writ or other Court process, or distress or seizure that may affect a Loan Party, where such claim, petition writ or Court process advances claims or affects assets of Loan Party in an amount in excess of Two Hundred Fifty Thousand (\$250,000) Dollars;
- (t) give written notice to the Lender of the occurrence of an Event of Default hereunder or of any other event which, with the giving of notice or the lapse of time, would constitute an Event of Default hereunder, forthwith upon the happening of such occurrence and provide the Lender with details of the action taken or proposed to be taken such Loan Party to remedy same;



- (u) maintain its corporate existence and do all such acts as are required in order to permit it to legally carry on its business;
- (v) carry on and conduct the business of the Loan Parties in a proper and efficient manner;
- (w) use the proceeds of the Credit Facilities only for purposes stipulated in the Term Sheets;
- (x) do, observe and perform or cause to be done, observed and performed all of its obligations and all matters and things necessary or expedient to be done, observed or performed under or by virtue of any law of Canada or any province or municipality thereof (or the equivalent legislation applicable in the State of Washington), including, but not limited to, any law pertaining to workplace health and safety and environmental laws;
- (y) pay all statutory payroll source deductions when due and immediately advise the Lender of any source deductions that are unremitted;
- (z) on request by the Lender, the Borrower shall give Canada Revenue Agency and other governmental entities written authorization to disclose to the Lender the status of any priority claims;
- (aa) will pay all premiums and sums of money necessary in relation to any policy or policies of insurance maintained by a Loan Party as the same shall become due;
- (bb) ~~provide such additional Security and documentation from each new [subsidiary] or [Affiliate] as may be required by the Lender from time to time, acting reasonably; [NTD: "Affiliate" not defined. Only subsidiaries greater than 50% ownership should be providing security. Suggest replacing this provision with a market standard provision.]~~ within 10 Business Days of creating or acquiring any Subsidiary, the Borrower will cause such Subsidiary to provide the Security required by Section 16(bb) and such other Security as the Lender may reasonably require, in each case, in form and substance acceptable to the Lender, acting reasonably, together with such other supporting documentation and legal opinions as the Lender may reasonably require. The Borrower will notify the Lender upon the creation or acquisition of any new Subsidiary promptly upon the creation or acquisition thereof, and in any event, no later than 10 Business Days after any such creation or acquisition;
- (cc) promptly cure or cause to be cured any defects in the execution and delivery of any of the Loan Documents or any defects in the validity or enforceability of any of the security agreements and at their expense (to the extent the Borrower was responsible for any such defect or default), execute and deliver or cause to be executed and delivered, all such agreements, instruments and other documents as the Lender may consider necessary or desirable for the foregoing purposes .

17. Negative Covenants

Each Loan Party covenants and agrees that it shall not, without the prior written approval of the Lender first had and received:

- (a) permit any material change in a Loan Party's business or operations;



- (b) except as it pertains to the Lands, sell or otherwise dispose of any of its assets – outside the ordinary course - by conveyance, transfer, lease or otherwise where net proceeds from any sale or disposition of assets unless:
 - (i) for a conveyance, transfer or lease less than Five Hundred Thousand (\$500,000.00) Dollars: the net proceeds of such conveyance, transfer or lease are reinvested in the business of the Loan Party within one hundred eighty (180) days; or
 - (ii) for a conveyance, transfer or lease equal to or greater than Five Hundred Thousand (\$500,000.00) Dollars: the Lender has provided prior approval for such conveyance, transfer or lease and no Event of Default has occurred or will result from such conveyance, transfer or lease;
- (c) sell or otherwise dispose of the Lands, or any portion thereof, by conveyance, transfer, lease or otherwise;
- (d) other than in relation to the Security, Permitted Future Capital Leases and Permitted Encumbrances, create, assume or permit to exist any mortgage or charge or security interest of any nature or kind whatsoever on any of its assets or property, including those Chattels charged in favour of the Lender or any part thereof;
- (e) permit the Operating Facility to exceed the Operating Lender Credit Facilities Limit;
- ~~(f) [permit any transfer of its shares or allot or issue any shares in its capital stock;] [NTD: This should be dealt with by the Change of Control mechanic.]~~
- (f) ~~(g)~~-at any time that:
 - (i) the Debt Service Coverage is less than 2:1, make any Distribution except with the express written consent of the Lender; and
 - (ii) the Debt Service Coverage is equal to or greater than 2:1, make any Distribution where an Event of Default has occurred and is continuing or the making of such Distribution would result in the occurrence of an Event of Default;
- (g) ~~(h)~~-make any payments or transfer any of their undertaking, properties, rights or assets to any person without due consideration which in any manner diverts, or could result in the diversion of, assets and/or opportunities of the a Loan Party to such other person;
- (h) ~~(i)~~-reimburse any expense paid or otherwise incurred by anyone, except to the extent that those expenses were incurred in the ordinary course of business and are a reasonable amount;
- (i) ~~(j)~~-reduce its capital or make any distribution of assets;
- (j) ~~(k)~~-redeem or purchase any of its present or future outstanding shares or otherwise retire or pay off any such shares;



- (k) ~~(h)~~ do or suffer anything to be done whereby any policy or policies of insurance maintained by a Loan Party may become vitiated; if such Loan Party shall fail to insure or cause to be insured all of its assets or any part thereof, or to pay or cause to be paid the premiums with respect to such insurance or to deliver the policies or contracts as aforesaid or if the Lender receives notice of the intended cancellation of any such policy or contract, the Lender shall be entitled to insure all of its assets, provided however that the Lender shall not be bound to insure all of its assets or, in the event of insuring all of its assets to insure any other than the interest of the Lender only, or to see to the payment of the premiums on any policy or be liable or responsible for any loss arising out of any defect in any policy or failure of any insurance company to pay for any loss thereunder;
- (l) ~~(m)~~ make a loan to or investments in any person (other than to another Loan Party);
- (m) ~~(n)~~ lend any amount to any shareholder, director or officer of a Loan Party (other than to another Loan Party) or person whose relationship to them is non-arms-length as that term is defined in the *Income Tax Act* (Canada) or lend any amount to any other person, firm or corporation other than in the ordinary course of such Loan Party's business;
- (n) ~~(o)~~ other than in relation to the Operating Facility and the Loan Documents, become a guarantor of any obligation nor become endorser in respect of any obligation or otherwise become liable upon any note or obligation of any nature or kind whatsoever except for the benefit of the Lender;
- (o) ~~(p)~~ surrender its Certificate of Incorporation, voluntarily wind up its business or take any other steps toward discontinuance of its business;
- (p) ~~(q)~~ change its present Fiscal Year;
- (q) ~~(r)~~ change its name, or the location of its place of business, if it has only one place of business, or its chief executive office without giving the Lender 30 days prior written notice;
- (r) ~~(s)~~ merge, amalgamate or consolidate with or into any other person or corporation;
- (s) ~~(t)~~ destroy any of its material financial records;
- (t) ~~(u)~~ enter into any contract or arrangement of any nature or kind which may materially adversely affect the Borrower's assets and the charges created hereunder;
- (u) ~~(v)~~ make unfinanced capital expenditures in any Fiscal Year in excess of the sum of Seven Hundred Fifty Thousand (\$750,000) Dollars;
- (v) ~~(w)~~ during the term of this Agreement, have purchase money obligations having annual payment obligations of more than \$1,750,000.00 in the aggregate without prior written consent of the Lender;
- (w) ~~(x)~~ remove any Chattels forming part of each Loan Party's assets from the Provinces of British Columbia, Alberta, Saskatchewan and North West Territories or the States of Delaware, Colorado and Washington;



- (x) ~~(y)~~ permit a Loan Party to default in its obligations pursuant to any Material Agreement;
- (y) ~~(z)~~ enter into any transaction (whether by way of amalgamation, merger, winding-up, consolidation, reorganization, transfer, sale, lease or otherwise) whereby any of their undertaking, properties, rights or assets would become the property of any other person or entity, or in the case of amalgamation, of the continuing corporation resulting therefrom;
- (z) ~~(aa)~~ incur or repay any indebtedness, other than pursuant to or as otherwise expressly permitted under this Agreement, except for payments under debt secured by the Permitted Encumbrances or any arm's length trade debts, obligations or other liabilities incurred in the ordinary course of business; and
- (aa) ~~(bb)~~ do any other act that by the terms of the Loan Documents it is not permitted to do.

18. Financial Covenants

During the term of this Agreement, the Borrower covenants with the Lender as follows:

- (a) the ratio of Total Senior Funded Debt to EBITDA shall at all times, but tested on a rolling four quarter and consolidated basis, be equal to or less than:
 - (i) 3.5:1 for the time period from the first anniversary of the Tranche I Advance until the fiscal quarter ending March 31, 2019; and
 - (ii) 3.0:1 for all times thereafter;
- (b) the ratio of Debt Service Coverage shall at all times, but tested on a rolling four quarter and consolidated basis, be equal to or greater than 1.50:1; and
- (c) the Current Ratio shall at all times be equal to or greater than 1.25:1.

19. Reports

The Loan Parties shall, in a form and manner prescribed by the Lender (which may include by fax and/or e-mail), deliver to the Lender the following, signed by a senior officer of the Loan Parties all in form, scope and substance acceptable to the Lender, acting reasonably:

- (a) audited Financial statements of the Borrower (on a consolidated basis) within one hundred and twenty (120) days of the end of the Fiscal Year, along with a report showing calculations of financial covenants and a Compliance Certificate signed by an officer of the Borrower;
- (b) unaudited internally prepared, consolidated financial statements of the Borrower within forty-five (45) days of the end of each fiscal quarter, along with a report showing calculations of financial covenants, a Compliance Certificate and a comparison to budget and the same period for the year previous signed by an officer of the Borrower is to be included with the reporting package;
- (c) a business plan and monthly operating budget for the coming Fiscal Year within thirty (30) days of the end of each Fiscal Year, including a financial forecast, including income statements, capital expenditures statements, capital



expenditure, budget, balance sheet, cash flow, detailed list of assumptions and projected compliance ratios along with management discussion and analysis of any deviation of more than 10% from the prior Fiscal Year;

- (d) a report on equipment purchased and sold, including cost and application of proceeds of sale, within one hundred and twenty (120) days of the end of the Fiscal Year;
- (e) a compliance report signed by an officer of the Borrower within forty-five (45) days of the end of each fiscal quarter, the effect that full payment has been made of all source deductions (employee deductions, CPP, employment insurance and goods and services tax) required by the applicable government authority have been paid in full and there are no principal interest arrears, all property taxes have been paid and Borrower is in full and complete compliance with conditions of its funded debt;
- (f) such additional financial information with respect to the Borrower as and when reasonably requested by the Lender; and
- (g) forthwith, particulars of any occurrence which constitutes an Event of Default, or of any action, suit or proceeding, pending or to the Borrower's knowledge threatened against any Borrower.

20. Representations

Each Loan Party represents and warrants that:

- (a) each Loan Party: (i) is a corporation or company has been duly incorporated, amalgamated or continued, as the case may be, and is validly subsisting as a corporation or company and qualified to do business under the laws of its jurisdiction of incorporation, amalgamation, or continuance, as the case may be, (ii) that is not a corporation or company has been duly created or established as a partnership, limited partnership, trust or other entity and validly exists under the laws of the jurisdiction in which it has been created or established, and (iii) has not adopted or designated any name (including any French name) except as set forth on Schedule H;
- (b) each Loan Party is in compliance with all laws, regulations and orders of any governmental entity applicable to it or its property and all indentures, agreements and other instruments binding upon it or its property;
- (c) each Loan Party has full power, authority and capacity to execute and deliver the Loan Documents to which it is party and to carry out the transactions contemplated herein and therein, all of which have been duly and validly authorized by all necessary corporate proceedings and that the documents hereinbefore referred to have been duly executed and delivered by such Loan Party;
- (d) neither the execution nor delivery of a Loan Document, nor the fulfillment of or compliance with the terms and provisions thereof will contravene any provision of law, including, without limitation, any statute, rule, regulation, judgment, decree, order, franchise or permit applicable to a Loan Party or conflict with or result in a material breach of the terms, conditions or provisions of or constitute a default



- under any agreement or instrument to which such Loan Party is now a party or by which any of its property or assets may be bound or affected;
- (e) each Loan Document constitutes legal, valid and binding obligations of the each Loan Party enforceable in accordance with their respective terms;
 - (f) there are no pending or threatened actions or proceedings before any Court or administrative agency which may materially adversely affect the financial condition or operations of the Loan Parties;
 - (g) the contents of all documents furnished to the Lender by or on behalf of a Loan Party to induce the Lender to lend the monies hereunder are true and correct in all material respects and accurately set out all the facts contained therein;
 - (h) all financial information and statements which have been delivered to the Lender are true and accurate and have been prepared in accordance with Generally Accepted Accounting Principles consistently applied and fairly represent the financial position of the person or entity which each purports to reflect and the financial position so reflected has not suffered any ~~material adverse change~~ Material Adverse Effect to the date hereof;
 - (i) other than in relation to Permitted Encumbrances, each Loan Party and its assets are not a party to or bound by any contract, agreement or undertaking or subject to any restriction in constating documents or to any other corporate, contractual or personal restriction or inhibition howsoever imposed that would materially or adversely affect the business, property, assets or financial condition of such Loan Party;
 - (j) each Loan Party lawfully owns and is lawfully in possession of all of its assets and that it has a good right and lawful authority to grant, convey, assign, transfer, hypothecate, mortgage, pledge and charge its assets as provided herein and in the Security;
 - (k) other than in relation to the Permitted Encumbrances, there are no mortgages, debentures, chattel mortgages, conditional sales contracts, or other security documents, liens or Encumbrances of any nature or kind in existence or promised which are in any manner capable of becoming registered so as to give priority of same to the detriment of the Security;
 - (l) there are no outstanding judgments or awards against the Loan Parties, except as have been disclosed to the Lender in writing;
 - (m) there is no fact known to the Loan Parties which materially or adversely affects or to the extent reasonably foreseeable by the Loan Parties may in the future materially or adversely affect the business prospects or financial condition of the any of the Loan Parties or their assets;
 - (n) each Loan Party has ~~made all appropriate income tax filings when due and has paid all income taxes due thereunder;~~ ~~(o) each Loan Party has filed all tax returns which are required to be filed by it, and has paid or made provision for payment of all material taxes and claims ranking in priority to Security (including interest and penalties) which are due and payable, and provided adequate reserves for unless such payment of any tax, the payment of which is not being contested in good faith and adequate reserves are held in respect thereof;~~

- (o) ~~(p)~~ the authorized capital of the Loan Parties is as set out in the attached Schedule C;
- (p) ~~(q)~~ each Loan Party owns, or is licensed to use, all trademarks, tradenames, copyrights, patents or other intellectual property material to its business, and the use thereof by such Loan Party does not infringe upon the rights of any other person;
- (q) ~~(r)~~ none of the Loan Parties is in default under any of their respective obligations and there are no actions, suits or proceedings, pending or threatened, against or affecting any of them;
- (r) ~~(s)~~ none of the Loan Parties are aware of any facts or circumstances that would have an adverse impact on the value of the collateral secured by the Security;
- (s) ~~(t)~~ as of the date hereof, both before and after giving effect to (a) the financing transaction to be consummated on the date hereof and (b) the payment and accrual of all fees, costs and expenses in connection therewith, each Loan Party is and will be solvent;
- (t) ~~(u)~~ the ownership structure set out in Schedule H accurately reflects the organizational and ownership structure of each Loan Party and Canadian Aggregate Resources Corp. as at the date hereof. The Relevant Jurisdictions for each of the Loan Parties and Canadian Aggregate Resources Corp. are set forth on Schedule H;
- (u) ~~(v)~~ all information furnished by or on behalf of the Loan Parties in writing to the Lender in connection with this Agreement or any transaction contemplated hereby, is true and correct and does not omit any fact necessary in order to make such information not misleading; and
- (v) ~~(w)~~ no event or circumstance has occurred which has had or could reasonably be expected to have a material adverse effect on the business, assets or prospects of the Loan Parties Material Adverse Effect, which has not been fully and accurately disclosed to the Lender in writing.

All representations and warranties of the Loan Parties shall be true and accurate as of the date of any advance under the Credit Facilities (other than representations or warranties made as of a specific date) and shall survive the advance of any funds by the Lender to the Borrower or the delivery or registration (if applicable) of the Security and shall continue until the Security has been discharged and released in full by the Lender.

21. Events of Default

Each of the following shall constitute an Event of Default:

- (a) if the Borrower shall make default in payment of any principal or interest in regard to the Indebtedness; ~~[NTD: Consider adding cure periods for late payments.]~~
- (b) if the Borrower shall make default in the payment of any interest in regard to the Indebtedness and such default continues for a period of 3 Business Days after written notice thereof is given to the Borrower by the Lender:

- (c) ~~(b)~~ if any Loan Party should default or be in breach of the performance or observance of any part of the covenants, agreements, conditions, ~~warranties or representations~~ on the part of such Loan Party to be kept, observed, performed or given hereunder or under the Loan Documents or should any other person, firm, or company being a party to Loan Document fail to carry out or observe any covenant or condition herein or therein on its part to be observed or performed and such deficit or failure is not cured by such Loan Party within thirty (30) days following receipt of notice from the Lender;
- (d) ~~(e)~~ if any representation or warranty made by a Loan Party with respect to a Loan Document or any other information provided in support of the Borrower's application to the Lender for the Credit Facilities is found to be materially incorrect and such incorrect representation or warranty has not remedied within thirty (30) days after written notice of such incorrect representation or warranty is given to the Borrower by the Lender;
- (e) ~~(d)~~ if any Loan Party shall create or attempt to create any mortgage or charge or permit any lien to be created or arise on any of its assets except as otherwise permitted herein;
- (f) ~~(e)~~ if a Loan Party should fail to pay any charges, rents, taxes, or rates on leasehold property, or other charges of a like nature, or if a Loan Party fails to observe and perform any of the covenants, payments or conditions in any lease, license, concession, agreement, mortgage, agreement for sale, charge or Encumbrance and such failure or default would result in a ~~material adverse change in the position, financial or otherwise, of the Borrower~~ Material Adverse Effect;
- (g) ~~(f)~~ if a Loan Party defaults under any Material Agreement to which it is a party and such failure or breach is not remedied or cured by such Loan Party within thirty (30) days;
- (h) ~~(g)~~ if a Loan Party makes default in the payment of the principal or interest in relation to any other borrowed money, or in the performance of any term, condition or covenant contained in any instrument under which any such Indebtedness is outstanding and such default is not cured within ten (10) days of notice;
- (i) ~~(h)~~ if an order shall be made or an effective resolution passed for the winding-up of a Loan Party, or if a petition is filed for the winding-up of such Loan Party;
- (j) ~~(i)~~ if a Loan Party shall make an assignment for the benefit of creditors or be declared bankrupt, or if a custodian or receiver or receiver and manager or other officer with similar powers be appointed with respect to such Loan Party or any of its property or if such Loan Party makes or files a notice of intention to make a proposal or otherwise takes advantage of provisions for relief under the *Bankruptcy and Insolvency Act* or the *Companies' Creditors Arrangement Act* (or equivalent legislation in the promulgated pursuant to the laws of the United States of America) as now or hereafter in force or makes any arrangement with its creditors pursuant to the terms of the *Business Corporations Act* of Alberta (or equivalent legislation in the promulgated pursuant to the laws of the United States of America) as now or hereafter in force;

- (k) ~~(j)~~ if a Loan Party ceases or threatens to cease to carry on its business or if such Loan Party commits any act of bankruptcy;
- (l) ~~(k)~~ if a Loan Party passes or purports to pass any resolution or takes or purports to take any corporate proceedings which would result in its reorganization, amalgamation or merger with another entity or the transfer of all or substantially all of its assets, or take proceedings for its dissolution or liquidation;
- (m) ~~(h)~~ if a Loan Party shall lose its charter by expiration, forfeiture or otherwise or if a receiver or receiver-manager for all or any part of such Loan Party's assets or any other party with like powers shall be appointed;
- (n) ~~(m)~~ if any execution, distress, sequestration or any other process of any court become enforceable against a Loan Party or if a distress or analogous process is levied upon the property of such Loan Party or any part thereof, provided however that the Security shall not be enforceable if:
 - (i) such execution, sequestration or other process is in good faith being disputed by such Loan Party;
 - (ii) the Lender does not, in its sole discretion, feel that such execution, distress, sequestration or other process hereinbefore referred to jeopardizes or impairs its security, or prejudices the rights of the Lender; and
 - (iii) at the Lender's request, such Loan Party provides further security which the Lender in its absolute discretion deems sufficient to pay in full the amount claimed in the event that the execution, distress, sequestration or any other process as hereinbefore referred to is held to be valid against such Loan Party;
- (o) ~~(n)~~ except in the ordinary course of business or as permitted pursuant to the Loan Documents, if any assets of a Loan Party are either directly or indirectly (including without limitation by way of transfer or sale of shares) sold, transferred, assigned, conveyed, removed, alienated or disposed of in any manner whatsoever by such Loan Party or if the Lender, acting reasonably, deems such Loan Party's assets or any part thereof are in danger of being sold, transferred, assigned, conveyed, removed, alienated or disposed of;
- (p) ~~(e)~~ if, without the Lender's prior written consent, there is a Change in Control;
- (q) ~~(p)~~ if a Loan Party defaults under any other loan or mortgage to which it is a party, including, but not limited to, any breach of the Operating Lender Credit Facilities, the Security and any agreement regarding a Capital Lease and such default is not waived or cured;
- (r) ~~(q)~~ if the Security shall in any respect cease to be in full force and effect or the validity thereof or the applicability thereof to this Agreement or of any of the obligations of a Loan Party thereunder or hereunder shall be disaffirmed by or on behalf of such Loan Party;
- (s) ~~(r)~~ if any default occurs under any other credit, facility or security agreement to which a Loan Party is a party and such breach continues for ten (10) days after such Loan Party shall have received written notice of same;

- (t) ~~(e)~~ if a Loan Party makes a Distribution except as otherwise permitted hereunder;
- (u) ~~(f)~~ if the Security is or becomes illegal, invalid, prohibited or unenforceable and/or ceases to rank in the priority contemplated herein against the property charged thereunder; and
- (v) ~~(u)~~ if in the reasonable opinion of the Lender, any material adverse change has occurred in the financial condition or business of any Loan Party which may impair its ability or willingness to perform any of its obligations to the Lender or the Lender considers the security held to secure the facility to be in jeopardy or the Lender considers itself insecure, a Material Adverse Effect has occurred.

Upon the happening of any Event of Default, the Lender may, upon written notice to the Borrower, declare the Indebtedness to be immediately due and payable whether with or without prior demand therefore, and the Security shall become enforceable in each and every such event. The occurrence of an Event of Default shall constitute such demand as may be required with respect to any Security and shall be deemed to constitute an Event of Default under any of the Security and the Lender shall thereupon have all rights and remedies available to it at law or in equity consequent thereon, whether arising by virtue the Security, this Agreement or otherwise, including without limiting the generality of the foregoing, the right and power of the Lender to take possession of the undertaking, property and assets of the Borrower and/or appoint a receiver or receiver-manager with respect to such undertaking, property and assets.

22. Environmental Indemnity:

Each Loan Party hereby represents and warrants that its business and assets and are operated in compliance with applicable environmental laws and that no enforcement action in respect thereof is threatened or pending and covenants to continue to so operate. If (i) a Loan Party has knowledge of or (ii) if the Lender, at any time, has a reasonable basis to believe that the property of a Loan Party have or may become contaminated or subject to any environmental investigation, study, audit, remedial response, clean-up order or decree by any government or agency thereof or any other authority having jurisdiction over the Loan Parties, as the case may be, then each Loan Party shall provide the Lender with such reports, certificates, environmental audits, engineering studies or other written material or data as the Lender, acting reasonably, may require from it so as to satisfy the Lender that the Loan Parties, as applicable, are in compliance with all applicable environmental protection laws and regulations. If the Lender is required to expend any funds in compliance with applicable environmental laws, rules, regulations or court orders in respect thereof, each Loan Party shall indemnify the Lender in respect of such expenditures an Advance had been made to the Borrower under this Agreement for such purpose.

23. Preserve Security

In the event that a Loan Party shall fail to pay or cause to be paid any sum payable by it, whether according to the terms of this Agreement or otherwise, when they become payable, or shall fail to repair or cause to be repaired any buildings or improvements on the Lands, the Lender may, without prejudice to any other rights available to the Lender, pay said sum or make arrangements for such repairs and the Lender may make such other expenditures as it deems necessary so as to protect any Security or to perfect title to any Security and all sums so expended or Indebtedness incurred by the Lender, together with all costs, charges and expenses, including legal fees as between a solicitor and his client, shall be added to and form



part of the Indebtedness and be secured by the Security and bear interest until paid at a rate equal to the rate of interest specified herein.

24. Further Security

The Loan Parties shall forthwith, upon receipt of a request from the Lender therefore, acting reasonably, execute and deliver, or cause to be executed and delivered, to the Lender such further documents and securities and shall do such things as shall be required by the Lender to ensure that the full liability of the Borrower to the Lender shall be secured as reasonably may be required by the Lender.

25. Deemed Reinvestment

It is hereby declared, for the purpose of greater certainty, that the principle of deemed reinvestment of interest shall not affect the calculation of interest payable under this Agreement or the Security.

26. Legal Fees

All legal fees and disbursements of the Lender related to the preparation of this Agreement, the Security and any renewal or renewals of the Security shall be paid by the Borrower and may be deducted by the Lender or its solicitors from any loan proceeds.

Each Loan Party, jointly and severally, shall pay, on demand, all costs incurred by the Lender in exercising or enforcing or attempting to enforce or in pursuance of any right, power, remedy or purpose hereunder or subsisting (including legal costs as between a solicitor and his own client on a full indemnity basis and also an allowance for the time, work and expenses of the Lender or of any agent, solicitor or servant of the Lender for any purpose herein provided), together with all sums which the Lender from time to time advances, expends or incurs pursuant to any provision contained in this Agreement or the Security, whether such sums are advanced or incurred with the knowledge, consent, concurrence or acquiescence of the Loan Parties or otherwise, together with interest thereon at the highest rate payable pursuant to this Agreement calculated from the date of Advance or expenditure by the Lender to the date of payment by the Loan Party.

27. Enforcement

The Lender may at any time after the occurrence of an Event of Default without notice and without any other formality, all of which are hereby waived, enforce any or all of the Security; provided that notwithstanding anything herein or in any of the Security contained, the Lender shall not under any circumstances be bound or obligated to enforce all or any of the Security nor shall the Lender be obligated to collect or cause to be collected any amounts owing in respect of any of the Security.

28. No Merger

Nothing in this Agreement, in any of the Security given hereunder or which may be acquired by the Lender with respect to this Agreement, and no act or omission by the Lender with respect to any Loan Document shall in any way prejudice the rights, remedies or powers of the Lender against the Loan Parties with respect to the Indebtedness, or any Security now or hereafter held by the Lender. The Security held by the Lender shall not operate by way of merger of any portion of the Indebtedness of a Loan Party to the Lender hereunder or under any deed, guarantee, contract, draft, bill of exchange, promissory note or other negotiable instrument, or otherwise howsoever, by which the same may now or at any time hereafter arise

or be represented or evidenced, and no judgment recovered by the Lender shall merge or in any way affect any of the Security or the Lender's right to interest thereon.

29. Right of Application

The Lender may from time to time apply and re-apply (and notwithstanding any previous application) in such manner as it, in its sole discretion sees fit, any monies received by it from a Loan Party or from collections, sales, or realizations of, on or under any Security, after first deducting the charges therefore or any expenses thereof, including costs as between a solicitor and his client, in or toward payment of any portion of the Indebtedness; and any such monies may be held by the Lender unappropriated in a collateral account for such time as the Lender sees fit; and the Loan Parties shall have no right to make or require any appropriation inconsistent with any such application by the Lender; and the taking of a judgment or judgments or any other action or dealing whatsoever by the Lender in respect of any Security given or to be given by the Loan Parties shall not operate as a merger of any other Security given to the Lender or any part thereof, or in any way suspend payment or affect or prejudice the rights, remedies and powers, legal or equitable, which the Lender may have in connection with such Security or the Indebtedness; and the foreclosure, surrender, cancellation, variation or any other dealing with or modification of any Security for such Indebtedness shall not release or affect the liability of a Loan Party for its total Indebtedness or release or affect any other part of the Security held by the Lender.

30. Termination

This Agreement shall continue in full force and effect, notwithstanding that there may be at any time and from time to time no Indebtedness owing, until terminated by the Lender, but this Agreement may be terminated by the Borrower upon written notice delivered to the Lender at any time when there is no Indebtedness or other obligation outstanding to the Lender. Upon termination of this Agreement, the Loan Parties shall be entitled to discharges of all Security then held by the Lender hereunder provided that the cost of preparing, executing, delivering and, if necessary, registering such discharges shall be paid by the Loan Parties, including fees as between a solicitor and his client, provided such expense is permitted by Applicable Law.

31. Taxes

The following shall apply as to taxes payable:

- (a) any and all payments by or on account of any obligation of a Loan Party hereunder shall be made free and clear of and without deduction for any taxes; provided that if a Loan Party shall be required to deduct any taxes from such payments, then (i) the sum payable shall be increased as necessary so that, after making all required deductions (including deductions applicable to additional sums payable under this Section), the Lender receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Loan Party shall make such deductions and (iii) the Loan Party shall pay the full amount deducted to the relevant Governmental Authority in accordance with Applicable Law.
- (b) **[in addition, each Loan Party shall pay any such taxes to the relevant Governmental Authority in accordance with applicable law.]**
- (c) each Loan Party shall indemnify the Lender, within 10 days after written demand therefor, for the full amount of any such taxes paid by the Lender, and any



penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to a Loan Party by the Lender, shall be *prima facie* evidence absent manifest error.

- (d) if requested by the Lender from time to time, each Loan Party shall deliver to the Lender the original or a certified copy of a receipt issued by the applicable Governmental Authority, a copy of the return reporting payment, or such other evidence reasonably satisfactory to the Lender evidencing payment of taxes by the Loan Party.

32. Incorporate Terms

The terms of the Security form a part of this Agreement as if the terms thereof were expressly and specifically set forth or stated herein.

33. Conflict

In the event of any conflict between the terms of this Agreement and the terms of any Security (or for any inconsistency between this Agreement where it is more persuasive or less restrictive than the Security), the provisions of this Agreement shall prevail to the extent necessary to remove such conflict; provided however, that a conflict or inconsistency shall not be deemed to exist only by reason of one of the Agreement or the Security not providing for such matter.

34. Notices

Any notice required to be given hereunder by any party shall be deemed to have been well and sufficiently given if:

- (a) personally delivered to the party to whom it is intended or if such party is a corporation to an officer of that corporation; or
- (b) mailed by prepaid registered mail, transmitted by facsimile or delivered, to the address or facsimile number of the party to whom it is intended as follows:
- (i) if to the Loan Parties, then:

JMB Crushing Systems Inc.
c/o Resource Land Holdings, LLC
1400 16th Street, Suite 320
Denver, CO 80202

Attention: Byron Levkulich
Facsimile: [●]
Email: byron.levkulich@rlholdings.com

with a copy (which does not constitute notice) to:

Blake, Cassels & Graydon LLP
3500 East Tower, Bankers Hall
855 – 2nd Street SW
Calgary, Alberta T2P 4J8

Attention: Dan McLeod
Facsimile: (403) 260-9700
Email: daniel.mcleod@blakes.com

(ii) If to the Lender, then:

70 University Avenue
Suite 1200
Toronto, Ontario
M5J 2M4

Attention: Stephen Zagrodny

Facsimile: 416-367-2594

or to such other address or number as a party may from time to time direct in writing.

Any notice delivered before 4:30 p.m. local time on a day that is not a Saturday, Sunday or statutory holiday in Alberta (a "**Business Day**") shall be deemed to have been received on the date of delivery and any notice delivered after 4:30 p.m. local time on a Business Day or delivered on a day other than a Business Day, shall be deemed to have been received on the next Business Day. Any notice mailed shall be deemed to have been received seventy two (72) hours after the date it is postmarked. Any notice sent by facsimile before 4:30 p.m. local time on a Business Day shall be deemed to have been received when the sender receives the answer back confirming receipt by the recipient; provided, however, that any facsimile received after 4:30 p.m. local time on a Business Day or received on a day other than a Business Day shall be deemed to have been received on the next Business Day. If normal mail or communications service is interrupted by strike, slow-down, force majeure or other cause after the notice has been sent the notice will not be deemed to have been received until actually received. In the event normal mail service is impaired at the time of sending the notice, then personal delivery or facsimile transmission only shall be effective.

35. Headings

The headings in this Agreement have been inserted for reference and as a matter of convenience only and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision hereof.

36. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta.

37. Additional Agreements

The Security contains covenants, representations, warranties and events of default to which the Loan Parties shall be bound, in addition to any covenants, representations, warranties and events of default herein contained;

38. Review

The Lender may conduct periodic reviews of the affairs of the Loan Parties, as and when determined by the Lender for the purpose of evaluating the financial condition of the Loan

Parties. Each Loan Party shall make available to the Lender such financial statements and other information and documentation as the Lender may reasonably require and shall do all things reasonably necessary to facilitate such review.

39. Schedules

The Schedules attached hereto are incorporated into this Agreement by reference

40. Time of Essence

Time shall be of the essence of this Agreement and of every part hereof.

41. Payment of Monies

The parties acknowledge and agree that any payment of monies required to be made hereunder shall be made in Canadian funds and that any tender of monies or documents hereunder may be made upon the solicitors acting for the party upon whom the tender is desired and it shall be sufficient that a negotiable bank draft is tendered instead of cash.

42. Due Date Extended

The parties acknowledge and agree that if any date for payment of monies hereunder or fulfillment of any obligation hereunder shall fall on a day that is not a Business Day such date for the payment of such monies or fulfillment of such obligation hereunder shall be deemed postponed and extended to the next following Business Day.

43. Unenforceable Terms

If any term, covenant or condition of this Agreement or the application thereof to any party or circumstance shall be invalid or unenforceable to any extent the remainder of this Agreement or application of such term, covenant or condition to a party or circumstance other than those to which it is held invalid or unenforceable shall not be affected thereby and each remaining term, covenant or condition of this Agreement shall be valid and shall be enforceable to the fullest extent permitted by law.

44. Survival of Representations and Warranties

The representations and warranties contained herein or made pursuant to this Agreement and all other security documents shall survive until the termination of this Agreement.

45. Joint and Several

Where more than one person is liable as Borrower for any obligation under this Agreement, the liability of each person for such obligation is joint and several with each other such person.

46. Amendments

This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto.

47. Entire Agreement

This Agreement and all attachments hereto, the security and any other written agreement delivered pursuant to or referred to in this Agreement constitute the entire agreement among the parties with respect to the subject matter set forth herein or therein and supersede all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter thereof.

48. Counterparts

This Agreement may be executed by one or more of the parties hereto on any number of separate counterparts and all of said counterparts taken together shall be deemed to constitute one and the same agreement and shall become effective when all counterparts have been signed by each of the parties and delivered to the other parties, it being understood that all parties need not sign the same counterpart.

49. No Waiver

No consent or waiver, express or implied, by the Lender to or of any breach or default by the Borrower in the performance by the Borrower of its obligations hereunder or under any Security shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance of obligations hereunder by the Borrower. Failure by the Lender to complain of any act or failure to act of the Borrower or to declare the Borrower in default, irrespective of how long such failure continues, shall not constitute a waiver by the Lender of its rights hereunder.

50. Assignment

This Agreement may be assigned by the Lender prior to the occurrence of an Event of Default with the prior written consent of the Borrower and after the occurrence of an Event of Default without consent, in which event the Borrower shall attorn in all respects to such assignment and the assignee thereof. No Borrower may assign this Agreement without the consent of the Lender.

51. Singular, Plural and Gender

Wherever the singular, plural, masculine, feminine or neuter is used throughout this Agreement the same shall be construed as meaning the singular, plural, masculine, feminine, neuter, body politic or body corporate where the fact or context so requires and the provisions hereof and all covenants herein shall be construed to be joint and several when applicable to more than one party.

52. Enurement

This Agreement shall enure to the benefit of and be binding upon the parties hereto and the successors and permitted assigns of the Borrower and the successors and assigns of the Lender.

53. Amendment and Restatement

It is acknowledged and agreed by the parties hereto that:

- (a) The Prior Loan Agreement is hereby amended and restated in the form of this Agreement; and

- (b) Notwithstanding the foregoing or any other term of this Agreement, all of the covenants, representations and warranties on the part of the Loan Parties under the Prior Loan Agreement and all of the claims and causes of action arising against the Loan Parties in connection therewith, in respect of all matters, events, circumstances and obligations arising or existing prior to the date of this Agreement, shall continue, survive and shall not be merged in the execution of this agreement or any other Loan Documents or any advance under this Agreement.

[SIGNATURES FOLLOW ON NEXT PAGE]



Blakes Comments: November 30, 2018

IN WITNESS WHEREOF the parties have executed the within Agreement on the day and year first above written.

**INTEGRATED PRIVATE DEBT FUND V
LP** by its general partner **INTEGRATED
PRIVATE DEBT FUND GP INC.**

Per:

Name:

Title:

Per:

Name:

Title:

JMB CRUSHING SYSTEMS INC.

Per:

Name:

Title:

Per:

Name:

Title:

EASTSIDE ROCK PRODUCTS, INC.

Per:

Name:

Title:

Per:

Name:

Title:



**SCHEDULE A
PERMITTED ENCUMBRANCES**

The registrations listed in the attached personal property search results and including the following:

- (a) liens for taxes, assessments or governmental charges not at the time due or delinquent or, if due or delinquent, the validity of which is being contested;
- (b) deemed liens and trusts arising by operation of law in connection with workers' compensation, employment insurance and other social security legislation, in each case, which secure obligations not at the time due or delinquent or, if due or delinquent, the validity of which is being contested;
- (c) easements, rights of way, servitudes or other similar rights in land (including, without in any way limiting the generality of the foregoing, rights of way and servitudes for railways, sewers, drains, gas and oil and other pipelines, gas and water mains, electric light and power and telecommunication, telephone or telegraph or cable television conduits, poles, wires and cables) granted to or reserved or taken by other persons which individually or in the aggregate do not materially detract from the value of the land concerned or materially impair its use in the operation of the business of the Borrower;
- (d) any builder's, mechanic's, garageman's, labourer's or materialman's lien or other similar lien arising in the ordinary course of business or out of the construction or improvement of any land or arising out of the furnishing of materials or supplies, provided that such lien secures monies not at the time overdue, or, if due or delinquent, the validity of which is being contested;
- (e) Encumbrances incidental to the conduct of business or the ownership of property and assets not incurred in connection with the borrowing of money or obtaining credit and which do not, in the aggregate, detract in any material way from the value or usefulness of the property and assets of the Borrower;
- (f) any claim or Encumbrance from time to time consented to by the Lender;
- (g) in respect of any land, any defects or irregularities in the title to such land which are of a minor nature and which, in the aggregate, will not materially impair the use of such land for the purposes for which such land is held;
- (h) security given by the Borrower to a public utility or any municipality or governmental or other public authority when required by such utility or municipality or other authority in connection with the operations of the Borrower, all in the ordinary course of its business which individually or in the aggregate do not materially detract from the value of the asset concerned or materially impair its use in the operation of the business of the Borrower;
- (i) the reservation in any original grants from the Crown of any land or interests therein and statutory exceptions and reservations to title;
- (j) security interests securing a purchase money obligation, provided that (i) such security interests shall attach only to the property acquired in connection with which such purchase money obligation was incurred and (ii) such purchase money obligation is not prohibited pursuant to 17(x); ~~NTD: Given the name change and amalgamation, Borrower to consider whether notice of the same is required to be delivered by it~~



~~to any other secured parties (including, without limitation, any secured parties holding purchase money security interest registrations against the Borrower).]v.~~

- (k) landlords' liens or any other rights of distress reserved in or exercisable under any lease of real property for rent and for compliance with the terms of such lease; provided that such lien does not attach generally to all or substantially all of the undertaking, assets and property of the Borrower;
- (l) deposits to secure performance of (i) bids, tenders, contracts (other than contracts for the payment of money) or (ii) leases of real property entered into in the ordinary course of business, in each case, to which the Borrower is a party; and
- (m) the security granted to the Operating Lender in respect of the Operating Facility.



**SCHEDULE B
COMPLIANCE CERTIFICATE**

INTEGRATED PRIVATE DEBT FUND V LP

70 University Avenue
Suite 1200
Toronto, Ontario
M5J 2M4
Facsimile: 416-

This Compliance Certificate is provided pursuant to the amended and restated loan agreement made as of the [●] day of November, 2018 (as the same may be amended, restated, modified, supplemented or replaced from time to time, the "Loan Agreement") between **JMB CRUSHING SYSTEMS INC.**, as Borrower (the "Borrower"), **EASTSIDE ROCK PRODUCTS, INC.**, as Guarantor, and **INTEGRATED PRIVATE DEBT FUND V LP**, by its general partner **INTEGRATED PRIVATE DEBT FUND GP INC.**, as lender (the "Lender"). All terms and expressions used herein but not otherwise defined shall have the same meanings herein as are ascribed thereto in the Loan Agreement.

The Borrower represents and warrants as follows:

1. this Compliance Certificate is a true, correct and complete statement of, and that the information contained herein is true, correct and complete in all material respects, and that the amounts reflected herein are in compliance with the provisions of the Loan Agreement;
2. no Event of Default has occurred or is continuing; and
3. all representations and warranties contained in the Loan Agreement and the Security (other than any representations or warranties made as of a specific date) are true and correct in all material respects.

The Borrower hereby certifies that as follows:

- (a) for the time period _____, the ratio of Total Funded Debt to EBITDA was _____ to 1;
- (b) for the time period _____, the ratio of Debt Service Coverage was _____ to 1; and
- (c) for the time period _____, the Current Ratio was _____ to 1.

The calculations of the ratios set out above are attached as Exhibit I to this Compliance Certificate.

[SIGNATURES FOLLOW ON NEXT PAGE]



Blakes Comments: November 30, 2018

DATED this _____ day of _____.

JMB CRUSHING SYSTEMS INC.

Per: _____
Name:
Title:

Per: _____
Name:
Title:

EASTSIDE ROCK PRODUCTS, INC.

Per: _____
Name:
Title:

Per: _____
Name:
Title:



Blakes Comments: November 30, 2018

**EXHIBIT I TO COMPLIANCE CERTIFICATE
CALCULATION OF FINANCIAL COVENANT RATIOS**

[See attached]



**SCHEDULE C
SHARE CAPITAL**

Shareholder	Number and Class of Shares
Canadian Aggregate Resources Corp.	17,454.49 Class A
JBuck and Sons Inc.	2,452.49 Class B



Blakes Comments: November 30, 2018

**SCHEDULE D
TERM SHEETS**

[See attached]



Blakes Comments: November 30, 2018

**SCHEDULE E
AMORTIZATION AND PAYMENT SCHEDULE OF TRANCHE I**

[See attached]

A handwritten signature or mark, possibly initials, located in the bottom right corner of the page.

Blakes Comments: November 30, 2018

**SCHEDULE FE-1
AMORTIZATION AND PAYMENT SCHEDULE OF TRANCHE II**

[See attached]



Blakes Comments: November 30, 2018

**SCHEDULE GE-2
AMORTIZATION AND PAYMENT SCHEDULE OF TRANCHE III**

[See attached]



**SCHEDULE HE
REQUEST FOR FUNDS**

TO: INTEGRATED PRIVATE DEBT FUND V LP
70 University Avenue, Suite 1200
Toronto, Ontario, M5J 2M4

Attention: Stephen Zagrodny

We refer to the amended and restated loan agreement made as of the [●] day of November, 2018 (as the same may be amended, restated, modified, supplemented or replaced from time to time, the "Loan Agreement") between **JMB CRUSHING SYSTEMS INC.**, as Borrower (the "Borrower"), **EASTSIDE ROCK PRODUCTS, INC.**, as Guarantor, and **INTEGRATED PRIVATE DEBT FUND V LP**, by its general partner **INTEGRATED PRIVATE DEBT FUND GP INC.**, as lender (the "Lender"). All terms and expressions used herein but not otherwise defined shall have the same meanings herein as are ascribed thereto in the Loan Agreement.

4. The Borrower hereby irrevocably requests that an advance be made on _____, 20____ (the "Date of Advance") in the principal amount of \$_____ (the "Advance") on the terms and subject to the conditions set forth in the Loan Agreement (the "Conditions Precedent").
5. The Borrower hereby confirms as follows:
 - (a) the representations and warranties set forth in the Loan Agreement are true and correct on, and as of, the date hereof (other than any representations or warranties made as of a specific date);
 - (b) no Event of Default has occurred and is continuing on the date hereof, nor shall an Event of Default occur as a result of making the Advance under the Loan Agreement;
 - (c) after reasonable inquiry, the Borrower has no reason to believe that it will not be in compliance with the covenants contained in the Loan Agreement at the Date of Advance;
 - (d) the Borrower will immediately notify the Lender if it becomes aware of the occurrence of any event which would cause the above statements (a), (b) and (c) to be untrue or incorrect if made on the Date of Advance;
 - (e) **[the loan Interest Rate will be established two Business Days prior to Advance and will be set at the greater of (i) 6.75%, or (ii) the Government of Canada Bond Yield, as determined by the Lender, plus 4.25% per annum. Pricing once committed is available until close of business on the Date of Advance;] [INTD: MT to update.]**
 - (f) the acceptance of this request by the Lender is not an acknowledgment that Conditions Precedent to the Advance have been satisfied;
 - (g) all Conditions Precedent to Advance must be satisfied before such Advance is made;
 - (h) if Conditions Precedent to Advance are not satisfied on the on the Date of Advance, the Borrower will be responsible to compensate the Lender for their cost of having funds available to make an Advance by paying, on demand from time to time, a fee equal to the Interest Rate calculated as if the Advance had been made on the Date of Advance, less such amount as the Lender customarily offers on comparable short-term deposits or is able to recover from short-term investment of the funds; and

- (i) if the Borrower has not satisfied all Conditions Precedent and requested that the Advance be made on or before on the Date of Advance, the Lender will have no further commitment to make the Advance and the Borrower will be responsible for immediate payment to the Lender of:
- (i) the amount calculated in accordance with item 2(h) above from the Date of Advance to _____, 20__; and
 - (ii) all legal, insurance advisory and other fees and expenses incurred by the Lender.
- (j) in the event that the Borrower has requested the Advance, but falls, neglects or refuses to complete the transactions contemplated by the Loan Agreement, due to a reason within the control of the Borrower which could be avoided using reasonable efforts, the Borrower will be responsible for immediate payment to the Lender of amounts equal to the Interest Rate Differential that would have been payable had the Advance been advanced on the Date of Advance and paid on that same day.

[SIGNATURES FOLLOW ON NEXT PAGE]



Blakes Comments: November 30, 2018

DATED this _____ day of _____.

JMB CRUSHING SYSTEMS INC.

Per: _____

Name:

Title:

Per: _____

Name:

Title:

EASTSIDE ROCK PRODUCTS, INC.

Per: _____

Name:

Title:

Per: _____

Name:

Title:



**SCHEDULE G
MATERIAL AGREEMENTS**

JMB Crushing Systems Inc.	
Royalty Agreements	Legal Land Description
Hoye/Kucy Pit	SE 19-63-9-W4M
Havener Pit	NW 16-56-7-W4M
Kwiatkowski Pit	NE 18-63-9-W4M
Megley II Pit	SW 36, NW 25-58-16-W4M
Joe VanDerVoort Pit	SE 6-63-8-W4M
Buksa Pit	NE 24-56-7-W4M
O'Kane Pit	NE 10-57-6-W4M
MacDonald Pit	E 1/2 of SE 34-56-7-W4M
Shankowski Pit	SW 21-56-7-W4
Raging River Quarry	32715 Carmichael Road Fall City, WA

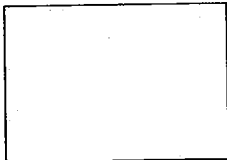
[NTD: Borrower to confirm]



**SCHEDULE H
OWNERSHIP STRUCTURE**

Name	Jurisdiction of Incorporation/Formation	Holder of Equity Interest	Province of Chief Executive Office	Relevant Jurisdictions
JMB Crushing Systems Inc.	British Columbia	Canadian Aggregate Resources Corp.	Alberta	Alberta British Columbia Washington
		JBuck Sens Inc.	&	
Eastside Rock Products Inc.	Washington	JMB Crushing Systems Inc.	Alberta	Alberta British Columbia Washington
Canadian Aggregate Resources Corp.	Delaware	Resource Land Fund V, LP	Delaware	Delaware

[NTD: Borrower to confirm]	



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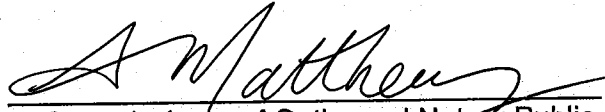
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Deletion	
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Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	196
Deletions	186
Moved from	0
Moved to	0
Style change	0

Format changed	0
Total changes	382



THIS IS EXHIBIT "H" REFERRED TO IN
THE AFFIDAVIT OF JEFF BUCK
SWORN BEFORE ME
THIS 16 DAY OF APRIL, 2020


A Commissioner of Oaths and Notary Public
in and for the Province of Alberta

Alex Matthews
Barrister & Solicitor



AMENDED AND RESTATED PRIORITY AGREEMENT SPECIFIED COLLATERAL

THIS AMENDED AND RESTATED PRIORITY AGREEMENT SPECIFIED COLLATERAL IS
MADE EFFECTIVE AS OF December 14, 2018 (the "**Effective Date**")

AMONG:

ATB FINANCIAL
("**ATB**")

-and-

INTEGRATED PRIVATE DEBT FUND V LP,
by its sole general partner, INTEGRATED PRIVATE DEBT FUND GP INC.
("**Secured Party**")

-and-

JMB CRUSHING SYSTEMS INC. and EASTSIDE ROCK PRODUCTS, INC.
(each, a "**Debtor**" and collectively the "**Debtors**")

RECITALS:

- A. Each Debtor is, or will become, indebted or obligated to the Secured Party and as security for such indebtedness and obligations has granted, or will grant, security interests in favour of the Secured Party in the Secured Party Collateral;
- B. Each Debtor is, or will become, indebted or obligated to ATB and as security for such indebtedness and obligations has granted, or will grant, security interests to ATB in the ATB Collateral;
- C. The Secured Party and ATB have or will register financing statements in respect of their security interests in the Personal Property Registry for the Provinces of Alberta, British Columbia, Saskatchewan and the Uniform Commercial Code for the States of Colorado and Washington;
- D. The Secured Party, ATB and the Debtors entered into an amended and restated priority agreement specified collateral made effective May 31, 2017 (the "**Original Agreement**"); and
- E. The Secured Party, ATB and the Debtors wish to amend and restate the terms of the Original Agreement on the terms and conditions set forth in this Agreement.

In consideration of the Recitals and of the agreements set out below, the parties agree that:

Definitions

1. Unless otherwise defined in this agreement, all terms used in this agreement which are defined in the *Personal Property Security Act (Alberta)* (the "**PPSA**") in effect in Alberta on the date of this agreement will have the meanings given to those terms in the PPSA.

2. In this agreement the following terms will have the following meanings:

- (a) **"account operator"** means either ATB or the Secured Party who operates a banking account of the Debtors, as determined by the context and circumstances applicable to the use of such term in this agreement;
- (b) **"affiliate"** has the meaning given to it in the *Business Corporations Act* (Alberta);
- (c) **"ATB Collateral"** means (i) all present and after acquired personal property of the Debtors, (ii) a floating charge on all of the Debtors' present and after acquired real property and (iii) after default, a fixed charge on all real property then owned by the Debtors;
- (d) **"ATB Debt Cap"** means an amount equal to: (i) Eleven Million Five Hundred Thousand (\$11,500,000.00) Dollars for the time period from October 31, 2018 until March 31, 2019, and (ii) Ten Million (\$10,000,000.00) Dollars for all times thereafter, or such other amount as may be amended from time to time in accordance with the terms of this Agreement. For greater certainty, the ATB Debt Cap shall only apply to principal obligations owed by the Debtors to ATB.
- (e) **"ATB Priority Collateral"** means the Debtors' personal property which is described or identified in the attached Schedule "A";
- (f) **"ATB Security"** means any security, security agreement or security interest now or in the future held by ATB from the Debtors in respect of the ATB Priority Collateral;
- (g) **"Accounts Receivable"** means all "accounts", as such term is defined in the PPSA now or in the future owned by the Debtors, and includes without limitation, all accounts receivable, other receivables, book debts, claims and other forms of monetary obligation not evidenced by chattel paper or an instrument now or in the future owned, received or acquired by, or belonging or owing to the Debtors, whether arising out of goods sold or services rendered by it, or from any other transaction, and "Account Receivable" means any one of them;
- (h) **"banking account"** means a deposit account, chequing account, current account, savings account or similar type of account maintained by the Debtors at any branch or office of ATB or the Secured Party from time to time while this agreement is in force;
- (i) **"Inventory"** means all goods acquired or held for sale or lease or furnished or to be furnished under contracts of rental or service, raw materials, work in progress, finished goods, returned goods, repossessed goods, livestock and the young thereof after conception and crops and timber, and packaging materials, supplies and containers relating to or used or consumed in connection with any of the foregoing;
- (j) **"Lenders"** means ATB and the Secured Party and "Lender" means any one of them;
- (k) **"Secured Party Collateral"** means all present and after acquired property of the Debtors;



- (l) **"Secured Party Priority Collateral"** means the Debtors' personal property which is described or identified in the attached Schedule "B";
- (m) **"Secured Party Security"** means any security, security agreement or security interest now or in the future held by the Secured Party from the Debtors in respect of the Secured Party Collateral; and
- (n) **"Security"** means collectively the ATB Security and the Secured Party Security.

Consents

- 3. ATB consents to the creation and issuance by the Debtors to the Secured Party of the Secured Party Security and to the incurring by the Debtors of the indebtedness and obligations secured by it.
- 4. The Secured Party consents to the creation and issuance by the Debtors to ATB of the ATB Security and to the incurring by the Debtors of the indebtedness and obligations secured by it.
- 5. Notwithstanding Sections 3 and 4, the Debtors shall not incur and ATB shall not advance or provide, any advances in an aggregate principal amount exceeding the ATB Debt Cap.
- 6. ATB and the Debtors shall not amend, alter, vary, supplement or revise any of the terms or provisions of, or add any new or additional terms or provisions to any of the ATB loan documents in any manner which would increase the aggregate principal amount of the indebtedness outstanding, committed or available to an aggregate amount in excess of the ATB Debt Cap.

Priorities

- 7. All perfected security interests granted by the Debtors to the Secured Party in the Secured Party Priority Collateral will have priority over any security interest that ATB now or hereafter has in the Secured Party Priority Collateral.
- 8. All perfected security interests granted by the Debtors to ATB in the ATB Priority Collateral will have priority over any security interest that the Secured Party now or hereafter has in the ATB Priority Collateral.
- 9. Subject to Section 10, each of the Secured Party and ATB, as the case may be, will be entitled, in priority to any security interest of the other, to all proceeds and accounts of any Debtor arising out of the sale or lease by or on behalf of such Debtor of such party's Priority Collateral and against which such party has a perfected security interest.
- 10. Notwithstanding Section 9, where a Debtor operates a banking account with either the Secured Party or ATB, neither the Secured Party nor ATB, as the case may be, will be entitled to claim any proceeds (whether cash, instruments, accounts or in other form) that are deposited to any banking account of such Debtor held at any branch of the other:
 - (a) unless they are specifically directed by or on behalf of such Debtor to be credited to a trust account for the benefit of the Secured Party or ATB, as the case may be, or



- (b) except those received by the account operator after the account operator has received notice pursuant to Section 11.
11. It is intended and agreed that banking accounts of a Debtor held at either the Secured Party or ATB will be operated in the ordinary course free of any proceeds claim by the other until the account operator receives written notice from the other that such Debtor is in default, whereupon subsection 10(b) will apply.
 12. ATB may access the Debtors' premises to sell, liquidate or otherwise dispose of Inventory (the "**ATB Access**") for up to sixty (60) days (the "**Liquidation Period**") following the earlier to occur of: (i) the commencement of proceedings for enforcement of the ATB Security by ATB in respect of the ATB Priority Collateral; or (ii) receipt by ATB of notice issued pursuant to Section 11 from the Secured Party. The Liquidation Period shall be exclusive of, and shall be suspended for, any period during which ATB is stayed or enjoined or precluded by statute or otherwise from enforcing the ATB Security.
 13. On the commencement of a Liquidation Period, ATB shall advise the Secured Party of its intention to exercise ATB Access, specifying as to which premises will be occupied and used.
 14. During the Liquidation Period and at all times thereafter, the Secured Party shall be free to deal with liquidation, or to use, such premises and related Secured Party Priority Collateral located therein, for its own purposes, and to complete its own program of realization, without waiting for expiry of the Liquidation Period.
 15. Notwithstanding the foregoing, if the Secured Party sells the Secured Party Priority Collateral and requires vacant possession or delivery free of use during the ATB Access in accordance with Section 15, then the ATB Access shall expire, if not earlier terminated by ATB, on the latest of (i) the closing date of the said sale; (ii) twenty (20) days following notice of the sale having been given to ATB; and (iii) expiry of the Liquidation Period.
 16. During the Liquidation Period, the ATB Access shall not be exclusive and, provided that none of the following interfere in any respect with the liquidation, sale or other disposition of the ATB Priority Collateral by ATB, the Secured Party shall have access to the Secured Party Priority Collateral to preserve, protect, appraise and evaluate the Secured Party Priority Collateral, to show it to potential purchasers and to offer it for sale.
 17. The priorities established in this agreement will apply in all circumstances regardless of:
 - (a) the respective dates of execution, attachment, registration or perfection of the Security or the security interests created thereby;
 - (b) the terms or the dates of execution and delivery of the agreements, instruments or other documents giving rise to or governing the indebtedness and obligations of the Debtors to ATB or to the Secured Party, and the dates of advances of loans or extensions of credit made to the Debtors by ATB or the Secured Party;
 - (c) the date of default by the Debtors under any of the Security, the dates of crystallization of any floating charges held by either ATB or the Secured Party, the date of the appointment of a receiver, or the taking of any other steps to realize under any of the Security;



- (d) any priority granted by any principle of law or any statute, including without limitation the PPSA.
18. Any insurance proceeds received by any of the parties in respect of any collateral charged by the Security will be dealt with according to the preceding provisions of this agreement as though such insurance proceeds were paid or payable as proceeds of realization of the collateral for which they compensate.
19. If either ATB or the Secured Party realize upon their security and in so doing receive money to which the other is entitled pursuant to this agreement, then such money will be held in trust for the other and paid over to the other on demand as long as and to the extent that any Debtor is then indebted to such party.

Application of Proceeds of Security on Realization

20. All payments or other proceeds received by the Lenders following or coincidental with a demand made directly or indirectly respecting enforcement or realization of the Security upon the Secured Party Priority Collateral, or the exercise of any right of set-off or counterclaim against any amount derived from the Secured Party Priority Collateral or advances secured by the Secured Party Security, including from any of its representatives or any Court appointed receiver or receiver and manager, trustee in bankruptcy or any custodian of the undertaking, property or assets of the Debtors, shall be applied and distributed by each Lender receiving such payments or proceeds in descending order of priority as follows:
- (a) first, on account of its reasonable costs and expenses of collection, realization and enforcement of such payments or proceeds arising from the realization upon or enforcement against the Secured Priority Collateral, including all costs and expenses for any receiver, receiver and manager, agent or legal counsel (on a solicitor and his own client full indemnity basis);
 - (b) second, on account of the Debtors' obligations to the Secured Party, to the extent thereof;
 - (c) third, on account of the Debtors' obligations to ATB, to the extent thereof; and
 - (d) fourth, to the Debtors or such other person lawfully entitled thereto in accordance with applicable law without regard to this agreement.
21. All payments or other proceeds received by the Lenders following or coincidental with a demand made directly or indirectly respecting enforcement or realization of the security upon the ATB Priority Collateral, or the exercise of any right of set-off or counterclaim against any amount derived from the ATB Priority Collateral or advances secured by the ATB Security, including from any of its representatives or any Court appointed receiver or receiver and manager, trustee in bankruptcy or any custodian of the undertaking, property or assets of the Debtors, shall be applied and distributed by each Lender receiving such payments or proceeds in descending order of priority as follows:
- (a) first, on account of its reasonable costs and expenses of collection, realization and enforcement of such payments or proceeds arising from the realization upon or enforcement against the ATB Priority Collateral,



including all costs and expenses for any receiver, receiver and manager, agent or legal counsel (on a solicitor and his own client full indemnity basis);

- (b) second, on account of the Debtors' obligations to ATB, to the extent thereof;
- (c) third, on account of the Debtors' obligations to the Secured Party, to the extent thereof; and
- (d) fourth, to the Debtors or such other person lawfully entitled thereto in accordance with applicable law without regard to this agreement.

Future Amendments to ATB Debt Cap

22. ATB may request an amendment to the ATB Debt Cap from time to time, in its sole discretion, by providing notice of its proposed amendment to both the Debtor and the Secured Party, in the form attached as Schedule "C" hereto. Upon acceptance of the requested amendment by the Secured Party and each of the Debtors, such amendment shall be read and interpreted with the Agreement and the Agreement, as so amended herein, shall be construed as one document. This Agreement as amended from time to time shall remain in full force and effect as of the date hereof.

Notices

23. Any demand, notice or communication to be made or given by any party hereto to any other party shall be in writing and may be given by personal delivery or, except during any period when postal service is interrupted, by prepaid registered mail or by instantaneous transmission (such as e-mail) that produces a permanent copy ("**other communication**") addressed as follows:

TO ATB:
25th Floor, 10020 100 Street NW
Edmonton, AB T5J 0N3
Attention: Paul Spiller
Telephone No.: 780-422-8440
Email: PSpiller@atb.com

TO the Secured Party:
70 University Avenue, Suite 1200
Toronto, ON M5J 2M4
Attention: Stephen Zagrodny
Telephone No.: (416) 367-6868
Email : szagrodny@iamgroup.ca

TO the Debtors:
JMB Crushing Systems Inc.
c/o Resource Land Holdings, LLC
1400 16th Street, Suite 320
Denver, CO 80202

Attention: Byron Levkulich
Email: byron.levkulich@rlholdings.com

with a copy (which does not constitute notice) to:

Blake Cassels & Graydon LLP
3500 East Tower, Bankers Hall
855 – 2nd Street SW
Calgary, Alberta T2P 4J8
Attention: Dan McLeod
Facsimile: (403) 260-9700
Email: daniel.mcleod@blakes.com

and if given by registered mail shall be deemed to have been received by the party to whom it was addressed on the date falling four (4) business days following the date upon which it has been deposited in the post office with postage and cost of registration prepaid, and if personally delivered or transmitted by instantaneous transmission it shall be deemed to be received on the date of delivery or transmission, as the case may be, except demands, notices or communications delivered or transmitted after 4:00 PM (Mountain Standard Time), which shall be deemed to have been received on the next business day. Any of the parties may change the address designated from time to time, by notice in writing to the other parties hereto.

General

24. As long as any of the indebtedness of any Debtor remains outstanding, each Debtor will stand possessed of its assets so charged for ATB and the Secured Party in accordance with their respective interests and priorities as herein set out.
25. Each Debtor consents to ATB and the Secured Party advising each other of the particulars of the indebtedness of the Debtors to each and exchanging any other financial information they deem relevant. Neither ATB nor the Secured Party will have or incur any liability to any Debtor for providing such information, nor for any direct or indirect consequences resulting from doing so.
26. The parties will do all things necessary from time to time to give full effect to this agreement. No consent of any Debtor will be necessary to any amendment of the terms of this agreement by ATB and the Secured Party.
27. The provisions of this agreement shall in all respects be a continuing agreement and shall remain in full force and effect until: (i) the final and indefeasible payment in cash and performance in full and satisfaction of the indebtedness and obligations of the Debtors to ATB or to the Secured Party; and (ii) the termination of the corresponding instruments or other documents giving rise to or governing the indebtedness and obligations of the Debtors to such party.
28. The Secured Party hereby authorizes ATB or ATB's solicitors to file a Financing Change Statement, with respect to any filing(s) made by the Secured Party as against any Debtor, to reflect that the filing is subject to the within Priority Agreement.
29. ATB hereby authorizes the Secured Party or the Secured Party's solicitors to file a Financing Change Statement, with respect to any filing(s) made by ATB as against any Debtor, to reflect that the filing is subject to the within Priority Agreement.
30. This agreement may be executed in counterpart. Each counterpart when executed will be deemed to be an original and all counterparts together will constitute one agreement, to be effective as of the Effective Date.



31. This agreement will be interpreted in accordance with the laws of the Province of Alberta and the courts of Alberta will have jurisdiction over any dispute related to it.

[SIGNATURES ON PAGES TO FOLLOW]

A small, handwritten mark or signature located in the bottom right corner of the page. It appears to be a stylized, cursive mark, possibly a signature or initials, written in black ink.

IN WITNESS WHEREOF the parties hereto have executed this Agreement under the hands of their duly authorized officers.

) INTEGRATED PRIVATE DEBT FUND V
) LP BY ITS GENERAL PARTNER
) INTEGRATED PRIVATE DEBT FUND GP
) INC.

) Per: 


Name: P.S. Rubin

Title: ASO


[[SIGNATURE PAGE OF AMENDED AND RESTATED PRIORITY AGREEMENT]]



JMB CRUSHING SYSTEMS INC.

Per: 
Name: Byron Levkulich
Title: Authorized Signatory
I/We have the authority to bind the corporation

EASTSIDE ROCK PRODUCTS INC.

Per: 
Name: Byron Levkulich
Title: Authorized Signatory
I/We have the authority to bind the corporation

[SIGNATURE PAGE OF AMENDED AND RESTATED PRIORITY AGREEMENT]



SCHEDULE A

(Put an "X" beside the collateral that applies)

ATB Priority Collateral:

- a) All of the Debtor's present and after acquired inventory, the acquisition of which is or has been financed by ATB, consisting of new and used _____ and all parts and supplies intended to be attached to or included with such _____ at time of sale; and/or
- b) All Inventory of the Debtors;
- c) All Accounts Receivable of the Debtors;
- d) All present and after acquired personal property of the Debtor other than the Secured Party Collateral which is described in Schedule "B" hereto;
- e) The following specific equipment:

Make and Model	Year of Manufacture	Serial Number (and Registration Mark for aircraft only)
----------------	------------------------	--

and all other new and used equipment and vehicles, the acquisition of which by any Debtor, from time to time, is financed by ATB;

- f) Cash and cash proceeds only as cash collateral in connection with letter(s) of credit issued by ATB up to a maximum amount not exceeding \$100,000.00 in the aggregate.

SCHEDULE B

Secured Party Priority Collateral:

- a) All of the Debtor's present and after acquired inventory, the acquisition of which is or has been financed by the Secured Party, consisting of new and used _____ and all parts and supplies intended to be attached to or included with such _____ at time of sale; and/or
- b) All inventory of the Debtor wherever located; and/or
- c) All accounts receivable of the Debtor including all accounts, instruments, claims, demands, debts and other actions or causes of action of every nature however arising which are now due, owing or accruing due, or which may hereafter become due, owing or accruing due to the Debtor, together with all records (whether in writing or not) and other documents of any kind which in any way evidence or relate to any or all of such accounts receivable; and/or
- d) All present and after acquired personal property of the Debtors other than the ATB Priority Collateral which is described in Schedule "A " hereto; and/or
- e) The following specific _____;



SCHEDULE C

[ON ATB'S LETTERHEAD]

[Date]

Integrated Private Debt Fund V LP
70 University Avenue, Suite 1200
Toronto, ON M5J 2M4

Attention: Stephen Zagrodny

-and-

JMB Crushing Systems Inc.
c/o Resource Land Holdings, LLC
1400 16th Street, Suite 320
Denver, CO 80202

Attention: Byron Levkulich

Dear Sirs:

Re: Notice of Amendment to ATB Debt Cap pursuant to the Amended and Restated Priority Agreement Specified Collateral dated December 14, 2018 (the "**Agreement**") among ATB Financial ("**ATB**"), Integrated Private Debt Fund V LP, by its general partner, Integrated Private Debt Fund GP Inc. (the "**Secured Party**"), JMB Crushing Systems Inc. and Eastside Rock Products, Inc. (collectively, the "**Debtors**")

ATB hereby requests the amendment of the ATB Debt Cap, as defined in the Agreement, to the amount of \$ _____ effective as of the date of this request first mentioned above.

Upon acceptance by the Secured Party and each of the Debtors, this letter shall be read and interpreted with the Agreement so that the Agreement, as amended by this letter, shall be construed as one document. The Agreement as amended by this letter shall remain in full force and effect as of the date hereof. This amendment shall be governed by the laws of the Province of Alberta.

Please acknowledge receipt and acceptance of this amendment by signing and returning a copy to ATB. This amendment may be executed in counterpart and delivered by fax or other electronic transmission.

Yours truly,

ATB Financial

By: _____

Accepted by:

**INTEGRATED PRIVATE DEBT
FUND V LP, ON BEHALF OF ITS
GENERAL PARTNER,
INTEGRATED PRIVATE DEBT
FUND
GP INC.**

Per: _____

JMB CRUSHING SYSTEMS INC.


Per: _____

**EASTSIDE ROCK PRODUCTS,
INC.**

Per: _____



THIS IS EXHIBIT "I" REFERRED TO IN
THE AFFIDAVIT OF JEFF BUCK
SWORN BEFORE ME
THIS 16 DAY OF APRIL, 2020


A Commissioner of Oaths and Notary Public
in and for the Province of Alberta

Alex Matthews
Barrister & Solicitor



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ATB

April 1, 2020

DELIVERED BY EMAIL AND COURIER

JMB Crushing Systems Inc.
9046-22 Avenue SW
Edmonton AB T6X 0J9

Eastside Rock Products Inc.
c/o JMB Crushing Systems Inc.
PO Box 6977
Bonnyville, AB T9N 2H4

Attention: Jeff Buck

Attention: Jeff Buck

2161889 Alberta Ltd.
c/o JMB Crushing Systems Inc.
PO Box 6977
Bonnyville, AB T9N 2H4

Blake Cassels & Graydon LLP
3500 East Tower, Bankers Hall
855-2nd Street SW
Calgary, AB T2P 4J8

Attention: Jeff Buck

Attention: Dan Macleod

Eastside Rock Products Inc.
1000-2nd Avenue, Suite 3210
Seattle, Washington, 98104

Re: ATB Financial ("ATB") loans and credit to JMB Crushing Systems Inc. (the "Borrower") governed by the October 16, 2019 Credit Agreement, as amended, made between ATB, the Borrower and Eastside Rock Products Inc. and 2161889 Alberta Ltd. (the "Guarantors") as Guarantors (the "Credit Agreement")

This letter is further to ATB's January 29, 2020 letter providing additional notice of the Borrower's and Guarantors' defaults under the Credit Agreement and providing notice that ATB will allow the Borrower and Guarantors (collectively, the "Obligors") until March 31, 2020 to remedy the Defaults (the "Notice"). Save as otherwise defined in this letter, all capitalized terms referred to in this letter shall have the meaning set forth in the Notice, a copy of which is attached for reference.

The Notice provided a deadline of March 31, 2020 for the Obligors to remedy the Defaults. However, after further discussions with the Obligors, ATB has agreed to extend that deadline to April 15, 2020 on the following conditions:

- (a) the Obligors will enter into an amendment to the Credit Agreement in the form attached as Schedule "A";
- (b) the Obligors will not commit any further defaults under the Credit Agreement or any Loan Document (as such term is defined in the Credit Agreement); and
- (d) Fiera Private Debt Fund V LP and each Obligor provides its written consent to extend to April 15, 2020 the \$13,500,000.00 ATB Debt Cap (as defined in the Priority Agreement Specified Collateral made effective as of November 5, 2019).

ATB has not waived any events of default (including, but not limited to the Defaults described in the Notices) which occurred prior to the date hereof, nor has it waived any rights or remedies arising from the occurrence of any such event of default or any rights or remedies which ATB may have in relation to the

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Credit Agreement and the Loan Documents. All rights and remedies arising therefrom are specifically reserved and preserved by ATB.

In addition, nothing in this letter constitutes an acquiescence on the part of ATB with respect to any default (including, without limitation, any Default) on the part of any Obligor or waiver in relation to such default.

By reason of the Defaults and notwithstanding anything else set out in this letter or the Notices, if at any time (including prior to April 15, 2020) ATB in its sole and absolute discretion believes for any reason that the prospect for the repayment of all present and future debt to ATB, or the priority of ATB's collateral security, is at any time in jeopardy, ATB reserves the right without any further demand or notice to take such acts and proceedings as are available to ATB according to law to preserve and protect its position.

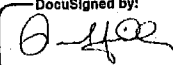
All acknowledgments, representations, conditions, warranties, releases and waivers given by the Obligors in the Credit Agreement, any Loan Document, any document given pursuant to this letter, or any agreement or other document evidencing the loans and credit provided pursuant to the Credit Agreement, including without limitation, any promissory note, lending agreement, loan agreement, account agreement, credit agreement and/or equipment facility agreement, shall survive the execution of this letter and delivery of the remaining documents contemplated by this letter and shall survive the expiration of the April 15, 2020 date, or any legal proceedings and shall continue in full force and effect for the benefit of ATB.

The Obligors acknowledge that other than as set out in this letter, ATB has made no representation or warranty of any kind to the Obligors. This letter supersedes any and all prior understandings or agreements, oral or written relating to the subject matter hereof.

Yours sincerely,

ATB Financial

Per:

DocuSigned by:

98823314ECBA4EB...

Paul Spiller
Sr. Director, Energy Services

Cc: Canadian Aggregate Resources Corp.
Fiera Private Debt Fund V LP
541466 Alberta Ltd.



Acknowledged and agreed to on the 1st day of April, 2020 by:

JMB CRUSHING SYSTEMS INC.

Per: 
Authorized Signatory

EASTSIDE ROCK PRODUCTS, INC.

Per: 
Authorized Signatory

2161889 ALBERTA LTD.

Per: 
Authorized Signatory



THIS IS EXHIBIT "J" REFERRED TO IN

THE AFFIDAVIT OF JEFF BUCK

SWORN BEFORE ME

THIS 16 DAY OF APRIL, 2020



A Commissioner of Oaths and Notary Public
in and for the Province of Alberta

Alex Matthews
Barrister & Solicitor



This Agreement made effective this [●] day of [●], 2019 (the "Effective Date").

AMONG:

JMB CRUSHING SYSTEMS INC., a body corporate duly formed by amalgamation under the laws of the Province of British Columbia (hereinafter referred to as the "**Borrower**")

- and -

EASTSIDE ROCK PRODUCTS, INC., a body corporate duly incorporated under the laws of the State of Washington (hereinafter referred to as "**Eastside**")

- and -

2161889 ALBERTA LTD., a body corporate duly incorporated under the laws of the Province of Alberta (hereinafter referred to as the "**216**", and together with Eastside, collectively, the "**Guarantors**")

- and -

FIERA PRIVATE DEBT FUND VI LP, by its general partner **FIERA PRIVATE DEBT FUND GP INC.** (hereinafter referred to as the "**Lender**")

LOAN AGREEMENT

PREAMBLE

WHEREAS:

- A. The Affiliated Lender agreed to establish non-revolving term loan credit facilities in the amount of \$14,000,000 for JMB Crushing Systems ULC (the "**Initial Borrower**") (the "**Original Loan**"), and the Initial Borrower agreed to avail itself of such term loan credit facilities, on the terms and conditions as set out in the loan agreement made March 28, 2017 among the Initial Borrower, the Affiliated Lender and the guarantor set out therein.
- B. The Affiliated Lender agreed to establish an additional \$4,000,000 non-revolving term loan credit facility for the Initial Borrower (the "**Second Loan**"), and the Initial Borrower agreed to avail itself of such term loan credit facilities, on the terms and conditions as set out in the loan amending agreement made June 21, 2017 among the Initial Borrower, the Affiliated Lender and the guarantor set out therein.
- C. The Affiliated Lender agreed to establish an additional \$5,000,000 non-revolving term loan credit facility for the Initial Borrower (the "**Third Loan**" and together with the Original Loan and the Second Loan, the "**Affiliated Loans**"), and the Initial Borrower agreed to avail itself of such term loan credit facilities, on the terms and conditions as set out in the second loan amending agreement made June 7, 2018 among the Initial Borrower, the Affiliated Lender and the guarantors set out therein.
- D. The Initial Borrower, Resource Land Fund V, LP, JMB Crushing Systems Inc. ("**JMB Newco**"), JBuck, JMB Investco (CAN) L.P. ("**JMB CAN LP**"), JMB Investco (US) II L.P.

- ("JMB US II LP") and JMB Investco (US) L.P. ("JMB US LP"), entered into a share purchase agreement dated November 21, 2018, pursuant to which all of the issued and outstanding shares in the capital of the Initial Borrower were transferred by JBuck, JMB CAN LP, JMB US II LP and JMB US LP to JMB Newco (the "**Transaction**").
- E. The Initial Borrower changed its legal name on November 22, 2018 to 1610880 Alberta ULC and continued its existence into the Province of British Columbia on November 28, 2018 under the legal name 1188265 B.C. Unlimited Liability Corporation ("**1188265**").
- F. Pursuant to a vertical short form amalgamation under subsection 273(1) of the *Business Corporations Act* (British Columbia) 1188265 amalgamated with JMB Newco on December 14, 2018 to form the Borrower (the "**Amalgamation**").
- G. The Affiliated Lender consented to the Transaction and the Amalgamation and agreed to maintain the Affiliated Loans with the Borrower on the terms and conditions as set out in the amended and restated loan agreement made effective December 14, 2018 among the Borrower, the Affiliated Lender and the guarantor set out therein (the "**Amended and Restated Loan Agreement**").
- H. The Borrower entered into a purchase and sale agreement dated March 15, 2019 (the "**PSA**") among the Borrower, as purchaser, and 541466 Alberta Ltd. (the "**Vendor**"), as vendor, pursuant to which the Borrower acquired all of the issued and outstanding shares in the capital of 216 (the "**Purchased Shares**"), and as partial consideration for the purchase price of the Purchased Shares the Vendor issued a \$3,000,000 promissory note to the Borrower (the "**Vendor Note**").
- E. The Lender has agreed to establish an additional \$2,500,000 non-revolving term loan credit facility for the Borrower (the "**Credit Facilities**") and the Borrower has agreed to avail itself of such term loan credit facilities to assist with the satisfying the immediate working capital needs of the Borrower.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises and mutual covenants herein contained, the Borrower, the Guarantors and the Lender agree as follows:

1. Definitions

In this Agreement unless there is something in the subject matter or context inconsistent therewith:

- (a) "**1188265**" has the meaning set out in the Recitals to this Agreement;
- (b) "**Acquisition**" means the share purchase by the Borrower pursuant to the PSA;
- (c) "**Additional Guarantor**" means such Subsidiaries of the Borrower or the Parent Group, as applicable, from time to time that provide Security pursuant to Section 1(cc);
- (d) "**Advance**" means any actual or deemed advance, extension or utilization of credit pursuant to this Agreement;
- (e) "**Affiliated Lender**" means Integrated Private Debt Fund V LP and its successors and permitted assigns;

- (f) **"Affiliated Loan Security"** has the meaning ascribed to the term "Security" set out in the Amended and Restated Loan Agreement;
- (g) **"Affiliated Loans"** has the meaning set out in the Recitals to this Agreement;
- (h) **"Agreement"** means this loan agreement, as the same may be amended, restated, modified, supplemented or replaced from time to time in accordance with the provisions hereof;
- (i) **"Amalgamation"** has the meaning set out in the Recitals to this Agreement;
- (j) **"Amended and Restated Loan Agreement"** has the meaning set out in the Recitals to this Agreement;
- (k) **"Applicable Canada Bond"** means with respect to a prepayment of an Advance the non-callable Government of Canada bond denominated in Cdn. currency determined by the Lender as having a remaining term to maturity closest to the remaining term to maturity of the Advance in respect of which the prepayment is to be made;
- (l) **"Applicable Canada Bond Yield"** means with respect to the prepayment of an Advance, the arithmetic average (rounded to the nearest 1/100th of 1%) of the respective percentages reasonably determined by the Lender, calculated in accordance with the generally accepted financial practices, assuming monthly compounding, to be the yield to maturity, expressed as an annual rate of interest, on the Applicable Canada Bond on the 2nd Business Day preceding the date of such prepayment;
- (m) **"Applicable Law"** means, with respect to any person, property, transaction or event, all present or future applicable laws, statutes, regulations, rules, orders, codes, treaties, conventions, judgments, awards, determinations and decrees of any governmental, regulatory, fiscal or monetary body or court of competent jurisdiction in any applicable jurisdiction, including all environmental laws;
- (n) **"Basis Points"** or **"bps"** means one one-hundredth of one percent.
- (o) **"Borrower"** means **JMB CRUSHING SYSTEMS INC.;**
- (p) **"Business Day"** means a day other than Saturday, Sunday or other day on which commercial banks in Calgary, Alberta or Toronto, Ontario are required by Applicable Law to close;
- (q) **"Canadian Aggregate Shareholder Loan"** means the loan from Canadian Aggregate Resources Corp., or its affiliates, to the Borrower in an amount of not less than \$2,600,000 and subordinated on terms satisfactory to the Lender.
- (r) **"Canadian Aggregate Shareholder Loan Principal Repayment"** means any repayment principal of the Canadian Aggregate Shareholder Loan.
- (s) **"Capital Lease"** means any lease or other arrangement relating to real or personal property which should, in accordance with Generally Accepted Accounting Principles, be required to be classified and accounted for as a capital lease on the consolidated balance sheet of the Borrower, and, for certainty, includes Permitted Future Capital Leases;

- (t) "**Capital Lease Obligation**" of any Person means the obligations of such Person under any Capital Lease to which it is a party;
- (u) "**Capital Stock**" means, with respect to any Person from time to time, any and all shares, units, trust units, partnership, membership or other interests, participations or other equivalent rights in the Person's equity or capital from time to time, however designated and whether voting or non-voting;
- (v) "**Change in Control**" means any one of the following: (i) Resource Land Fund V, LP, its affiliates and Jeff Buck cease to hold fifty (50%) percent of the outstanding Equity Interests of the Borrower; (ii) in any Fiscal Year, the majority of the Board of Directors of the Borrower changes; or (iii) Jeff Buck ceases to be a senior executive of the Borrower and is not replaced by a person or persons acceptable to the Lender, acting reasonably; provided that, notwithstanding the foregoing (including, for certainty, subparagraph (ii) above), a substitution, addition or change of directors of the Borrower shall not constitute a Change in Control where such newly appointed director or directors are employees or members of Resource Land Holdings, LLC;
- (w) "**Chattels**" means all the machinery, equipment, furniture, vehicles, goods and tangible personal property of the Borrower as well as every interest of such Loan Party therein, whether as purchaser under a conditional sale agreement, as mortgagor under a chattel mortgage or as lessee under a rental or rental/purchase agreement including all equipment, accessories, tools and appliances thereto now or thereafter fixed or appertaining thereto or used in connection therewith and all other machinery, equipment, furniture, vehicles, goods and Chattels now or hereafter owned or acquired by such Loan Party whether in addition thereto, substitution therefore, replacement thereof, or otherwise;
- (x) "**Collateral**" means all real and personal property (and the revenues, insurance proceeds, issues, profits, proceeds and products of the foregoing) which are subject, or are intended or required to become subject, to the Security or Encumbrance granted under any of the Loan Documents;
- (y) "**Commitment Fee**" means Twenty Five Thousand (\$25,000) Dollars;
- (z) "**Compliance Certificate**" means a certificate addressed to the Lender and executed by the Borrower in the form attached as Schedule B attached hereto;
- (aa) "**Credit Facilities**" has the meaning set out in the Recitals to this Agreement;
- (bb) "**Current Assets**" means, at any time, those assets ordinarily realizable within one (1) year from the date of determination or within the normal operating cycle, where such cycle is longer than one (1) year;
- (cc) "**Current Liabilities**" means, at any time, amounts payable within one year from the date of determination or within the normal operating cycle, where such cycle is longer than a year (the operating cycle must correspond with that used for Current Assets);
- (dd) "**Current Ratio**" means the Current Assets divided by the Current Liabilities, excluding the current portion of long term debt;

- (ee) **"Debt Service Coverage"** means consolidated earnings before interest, tax, depreciation and amortization and any other non-cash expenses acceptable to the Lender less un-financed capital expenditure, advances to related parties deferred charges, dividends, Distributions and cash taxes, divided by the total of scheduled principal repayments on all consolidated debt and interest payments (including, without limitation, any payment of interest made in relation to the Canadian Aggregate Shareholder Loan);
- (ff) **"Distribution"** means any amount paid to or on behalf of the employees, directors, officers, shareholders or partners of any Loan Party or to any Related Person thereto, by way of salary, bonus, commission, management fees, directors' fees, dividends, redemption of Capital Stock or other Equity Interests, distribution of profits, or otherwise, and whether payments are made to such persons in their capacity as shareholders, partners, directors, officers, employees, owners or creditors of any Loan Party or otherwise, or any other direct or indirect payment in respect of earnings or capital of any Loan Party; provided however that (A) the payment of salaries and management fees from time to time to partners, officers and employees of a Loan Party in the ordinary course of business at levels not in excess of (i) normal industry remuneration and (ii) those in existence as at the date of the Initial Advance shall not be considered Distributions, (B) the issuance of Capital Stock or other Equity Interests of any Loan Party to any existing shareholder thereof, and the issuance of Capital Stock or other Equity Interests of any Loan Party to any employee under such Loan Party's long term incentive plan, and (C) a Canadian Aggregate Shareholder Loan Principal Repayment shall not be considered Distributions;
- (gg) **"EBITDA"** means earnings on a consolidated basis before interest, taxes, depreciation, depletion expenses and amortization, but does not include such non-cash items as stock based compensation, loss/gain on disposal of assets and/or any one time/non-recurring items. EBITDA shall include adjustments for trailing results of acquisitions, including the Acquisition, as reasonably needed, and as approved by the Lender, acting reasonably;
- (hh) **"Encumbrance"** means, with respect to any Person or any property, any mortgage, debenture, pledge, hypothec, lien, charge, lease, sublease, easement, preference, priority, assignment by way of security, hypothecation or security interest granted or permitted by such Person or arising by operation of law, in respect of any of such Person's property or assets, or any consignment by way of security or Capital Lease Obligations of such Person as consignee or lessee, as the case may be, or any other security agreement, trust or arrangement having the effect of security for the payment of any debt, liability or other obligation, including title reservations, limitations, provisos or conditions, and **"Encumbrances"** and **"Encumbered"** have corresponding meanings;
- (ii) **"Equity Interests"** means, in respect of any Person, Capital Stock of such Person, warrants, options or other rights to acquire Capital Stock of the Person and securities convertible into or exchangeable for Capital Stock of such Person;
- (jj) **"Event of Default"** means the occurrence of any event listed in Section 19 hereof;
- (kk) **"Fiscal Year"** means, in respect of the Borrower, its fiscal year commencing on the 1st of January each year and ending on 31st of December of that same year, or such other fiscal year as may be agreed to by the Lender;

- (ll) **"Generally Accepted Accounting Principles"** means those accounting principles recommended by the Canadian Institute of Chartered Accountants and includes any recommendation in its Handbook concerning accounting treatment or statement presentation, such recommendation shall be regarded as the only generally accepted accounting principle applicable to the circumstances that it covers and reference herein to "Generally Accepted Accounting Principles" shall be interpreted accordingly;
- (mm) **"Governmental Authority"** means (i) any government or political subdivision thereof national, provincial, county, municipal or regional having jurisdiction in the relevant circumstances; (ii) any agency or instrumentality of any such government, political subdivision or other government entity (including any central bank or comparable agency); (iii) any court, arbitral tribunal or arbitrator; and (iv) any non-government regulating body, to the extent that the rules, regulations or orders of such body have the force of law;
- (nn) **"Guarantors"** means **EASTSIDE ROCK PRODUCTS, INC. and 2161889 ALBERTA LTD.;**
- (oo) **"Indebtedness"** means the principal sum or aggregate amount outstanding at any given time of all loans and advances made, or which may be made, by the Lender and/or the Affiliated Lender to the Borrower (including the Credit Facilities and the Affiliated Loans) and interest on such loans and advances and all costs, charges and expenses of, or incurred by the Lender and/or the Affiliated Lender, in connection with any Security and in connection with all property covered by or comprised in such Security (whether in protecting, preserving, realizing or collecting any such Security or property or attempting so to do or otherwise), and all other obligations and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, of the Borrower to the Lender and/or the Affiliated Lender arising from this or any agreement or dealings between the Lender and/or the Affiliated Lender and the Borrower or from any agreement or dealings with any person by which the Lender and/or the Affiliated Lender may be or become in any manner whatsoever a creditor of the Borrower or otherwise howsoever arising and whether the Borrower be bound alone or with another or others and whether as principal or surety. Without limiting the generality of the foregoing, the definition of the word "Indebtedness" includes all reasonable legal fees and disbursements incurred by the Lender and/or the Affiliated Lender as between a solicitor and his own client in connection with the preparation, execution and registration as appropriate, of any Loan Document and in respect of any actions which may be taken by the Lender and/or the Affiliated Lender to collect any monies constituting part of the Indebtedness, including, without limitation, protecting, preserving, realizing or collecting on any Security or property or attempting so to do or otherwise, it being the express intention of the parties that the word "Indebtedness" include such amount as is necessary to indemnify and save harmless the Lender and/or the Affiliated Lender from all such costs, expenses and monies as aforesaid;
- (pp) **"Initial Advance"** has the meaning set out in Section 3 of this Agreement;
- (qq) **"Initial Borrower"** has the meaning set out in the Recitals to this Agreement;
- (rr) **"Interest Rate"** means the rate of interest equal to seven and one-half (7.50%) percent per annum. The Lender shall have the sole and unfettered discretion to



reduce the "Interest Rate" to be the rate of interest equal to six and twenty-five one hundredths (6.25%) percent per annum if the financial results disclosed in the audited financial statements for the year ended December 31, 2019 demonstrate strong financial performance by the Borrower;

- (ss) **"Interest Rate Differential"** means the greater of:
- (i) three (3) months interest calculated in accordance with this Agreement; and
 - (ii) the premium equal to the difference between:
 - (A) the present value of the Credit Facilities interest and the principal payments which are foregone, discounted at the Applicable Canada Bond Yield, (on a compounded monthly equivalent basis, as determined by the Lender), for the term from the date of prepayment to the date of original maturity plus 50 Basis Points; and
 - (B) the face value of the principal amount being prepaid at the date of prepayment;
- (tt) **"Inventory"** has the meaning defined in the *Personal Property Security Act* (Alberta);
- (uu) **"JBuck"** means **JBUCK AND SONS INC.**;
- (vv) **"JMB CAN LP"** has the meaning set out in the Recitals to this Agreement;
- (ww) **"JMB Newco"** has the meaning set out in the Recitals to this Agreement;
- (xx) **"JMB US LP"** has the meaning set out in the Recitals to this Agreement;
- (yy) **"JMB US II LP"** has the meaning set out in the Recitals to this Agreement;
- (zz) **"Lands"** means those lands located in the Province of Alberta and referenced in Schedule H;
- (aaa) **"Loan Documents"** means, collectively, this Agreement, the Security and each agreement, instrument and each certificate, agreement or document executed in connection with or pursuant to any of the foregoing, in each case as the same may be amended, restated, modified, supplemented or replaced from time to time;
- (bbb) **"Loan Parties"** means the Borrower, the Guarantors and each Additional Guarantor, from time to time, and each is a **"Loan Party"**;
- (ccc) **"Material Adverse Change"** means any event, development or circumstance that has had or would reasonably be expected to have a Material Adverse Effect;
- (ddd) **"Material Adverse Effect"** means a material adverse effect on (a) the business, assets, operations or condition, financial or otherwise, of any of the Borrower and the Guarantors taken as a whole, or (b) the validity or enforceability of any of the Loan Documents, the priority of the Encumbrances created thereby or the rights

and remedies of the Lender thereunder or the ability of the Lender to receive indefeasible repayment of the Credit Facilities in full, or (c) any Material Agreement, or (d) the amount which the Lender would be likely to receive (after giving effect to delays in payment and costs of enforcement) upon the liquidation of the Collateral;

- (eee) **"Material Agreement"** means an agreement made between the Borrower and another person which if terminated by reason of breach, wrongdoing or neglect by or on behalf of the Borrower would reasonably be expected to have a Material Adverse Effect or result in an Event of Default, and those agreements specifically listed in Schedule G;
- (fff) **"Maturity Date"** means the date that is Eighty-Four (84) months from the date of the Effective Date;
- (ggg) **"Maximum Allowable Interest"** has the meaning ascribed to such term in Section 1(b)(ii);
- (hhh) **"Operating Facility"** means the credit facility provided to the Borrower by the Operating Lender to finance operating expenses in an amount not exceeding the Operating Lender Credit Facilities Limit;
- (iii) **"Operating Lender"** means (i) ATB Financial and (ii) any future Lender to the Borrower, or any of them, providing credit facilities solely to finance operating expenses of the Borrower, such lender to be acceptable to the Lender, acting reasonably.
- (jjj) **"Operating Lender Credit Facilities and Security Documents"** means the loan and security documents granted in relation to the Operating Facility from time to time, including those loan and security documents granted to and in favour of ATB Financial;
- (kkk) **"Operating Lender Credit Facilities Limit"** means the aggregate of all borrowings under the Operating Facility in an amount not exceeding, in the aggregate for the Borrower, \$13,500,000;
- (lll) **"Operating Lender Inter-creditor Agreement"** means an inter-creditor agreement to be entered into between the Operating Lender and the Lender on the date hereof addressing the ranking and priority of the Operating Lender Credit Facilities and Security Documents in relation to the Indebtedness and the Security, all on terms acceptable to the Lender, and pursuant to which it shall be agreed that the Operating Lender shall have first ranking priority on Inventory and accounts receivable of the Loan Parties and the Lender shall have first priority Security on all other Property of the Loan Parties other than such accounts receivable and Inventory and subject to Permitted Encumbrances;
- (mmm) **"Original Loan"** has the meaning set out in the Recitals to this Agreement;
- (nnn) **"Parent Group"** means, collectively, **JBUCK AND SONS INC.** and **CANADIAN AGGREGATE RESOURCES CORP.**;
- (ooo) **"Payment Failure"** has the meaning ascribed to such term in Section 1(d);



- (ppp) **"Permitted Encumbrances"** means the Operating Lender Credit Facilities and Security Documents, the Security, Permitted Future Capital Leases and those Encumbrances and registrations registered against the Borrower and described in Schedule A attached hereto and forming part of this Agreement;
- (qqq) **"Permitted Future Capital Leases"** means those certain Capital Leases entered into by the Borrower after the advance of the Credit Facilities provided always that that the maximum aggregate expenditure for all such leases shall not exceed One Million (\$1,000,000) Dollars for the Borrower in a calendar year;
- (rrr) **"Person"** means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, limited partnership, Governmental Authority or other entity;
- (sss) **"Pledged Securities"** means the Equity Interests of the Loan Parties and other Persons that are specifically pledged as part of the Security from time to time;
- (ttt) **"Property"** means, with respect to any Person, any or all of its undertaking, property and assets;
- (uuu) **"PSA"** has the meaning set out in the Recitals to this Agreement;
- (vvv) **"Purchased Shares"** has the meaning set out in the Recitals to this Agreement;
- (www) **"Related Person"** in relation to any person means a subsidiary, affiliate, associate, employee or partner of such person, or an associate of such employee (the terms "subsidiary", "affiliate" and "associate" having the respective meanings ascribed thereto in the *Canada Business Corporations Act*;
- (xxx) **"Relevant Jurisdiction"** means, from time to time, with respect to a Person that is granting Security hereunder, any province or territory of Canada or state of the United States of America in which such Person is incorporated or formed, has its chief executive office or chief place of business or has Collateral and, for greater certainty, includes the provinces set out in Schedule I;
- (yyy) **"Request for Funds"** means a certificate addressed to the Lender and executed by the Borrower in the form attached as Schedule F attached hereto;
- (zzz) **"Second Loan"** has the meaning set out in the Recitals to this Agreement;
- (aaaa) **"Security"** means any security or security documentation (including any evidences of debt) as more fully described in Section 11 hereof, to be given by a Loan Party to the Lender (including, for certainty, the Security to be delivered by a Subsidiary pursuant to Section 1(cc)) to secure the Indebtedness or acquired or required by the Lender, hereunder or hereafter and includes any amendments thereto or renewals or substitutions thereof;
- (bbbb) **"Subsidiary"** of any Person means any other Person of which Capital Stock or other Equity Interests having ordinary voting power to elect a majority of the board of directors or other individuals performing comparable functions, or which are entitled to or represent more than 50% of the owners' Capital Stock or other Equity Interests or entitlement to profits, are owned beneficially or controlled, directly or indirectly, by any one or more of that first Person and the Subsidiaries

of that first Person, and includes any other Person in like relationship to a Subsidiary of that first Person;

(cccc) "**Term Sheet**" means that certain letter delivered June 4, 2019, on behalf of the Lender to the Borrower prior to the date hereof, and any amendments thereto or substitutions therefore, a copy of which is attached hereto and marked as Schedule D;

(dddd) "**Third Loan**" has the meaning set out in the Recitals to this Agreement;

(eeee) "**Total Senior Funded Debt**" means the Credit Facilities, senior long term debt, Capital Leases and the balance outstanding on the Operating Facility and the Affiliated Loans;

(ffff) "**Transaction**" has the meaning set out in the Recitals to this Agreement;

(gggg) "**Vendor**" has the meaning set out in the Recitals to this Agreement; and

(hhhh) "**Vendor Note**" has the meaning set out in the Recitals to this Agreement.

2. Preamble and Schedules

The parties hereby confirm and ratify the matters contained and referred to in the Preamble to this Agreement and agree that the Schedules attached hereto are expressly incorporated into and form part of this Agreement.

3. Establishment of Credit Facilities and Advance

Subject to the terms hereof, the Lender agrees to advance to the Borrower the Credit Facilities by way of a single advance (the "**Initial Advance**").

The Credit Facilities shall only be used to finance the immediate working capital needs of the Borrower.

The Credit Facilities shall be evidenced by a promissory note in respect of the Initial Advance made and delivered by the Borrower in favour of the Lender (the "**Promissory Note**"). The Promissory Note shall be dated the date of the Initial Advance, shall be in the principal amount of the Credit Facilities and shall bear interest at the Interest Rate as hereinafter provided.

The Borrower shall give irrevocable prior written notice to the Lender, by way of a notice of borrowing ("**Notice of Borrowing**"), specifying the amount and proposed date of the Initial Advance. Such notice shall be given by the Borrower to the Lender not less than ten (10) Business Days prior to the date of the proposed Initial Advance.

4. Evidence of Indebtedness

The Borrower acknowledges that the actual recording of the amount of any Advance or repayment thereof, and interest, fees and other amounts due in connection with the Credit Facilities, in the accounts maintained by the Lender, shall constitute *prima facie* evidence, absent manifest error, of the Borrower's indebtedness and liability from time to time under the Loan Documents; provided that the obligation of the Borrower to pay or repay any amounts in accordance with the terms and conditions of Loan Documents shall not be affected by the failure of the Lender to make such recording. The Borrower hereby acknowledges being

indebted to the Lender for the principal amount outstanding from time to time under the Credit Facilities, and all accrued and unpaid issuance fees, interest, or other fees.

5. Repayment

The Borrower agrees to repay the Credit Facilities with interest as aforesaid calculated daily not in advance, as follows:

- (a) blended monthly payments of principal and interest at the Interest Rate for Eighty-Four (84) months following the date of the Initial Advance all as more particularly specified in the amortization and payment schedule set out in the attached Schedule E; and
- (b) the full amount of the Credit Facilities plus interest or any other amounts owing hereunder or pursuant to the provisions of the Security shall be due and payable on the applicable Maturity Date.

6. Interest

- (a) The Borrower agrees to pay interest on the unpaid principal amount of each Advance outstanding from time to time from the date of Advance until repayment in full of such Advance, at a rate per annum (calculated on the basis of a 365/366 day year), equal to the Interest Rate. Interest at such rate shall be payable monthly and as more particularly specified in the amortization and payment schedule set out in the attached Schedule E both before and after demand, default, maturity and the obtaining of any judgment by the Lender against the Borrower and all interest on becoming overdue shall be treated, as to payment of further interest, as principal and shall bear compound interest at the rate payable with respect to the Credit Facilities both before and after the obtaining of any judgment by the Lender against the Borrower to the extent permitted by Applicable Law.
- (b) Notwithstanding anything to the contrary hereinbefore or hereinafter contained in the Loan Documents or any of them, the parties hereto expressly acknowledge, covenant and agree that:
 - (i) the Loan Documents shall not constitute an agreement or arrangement whereby or pursuant to which the Lender would or will receive Interest on the Advance at a Criminal Rate of Interest;
 - (ii) this Agreement shall at all times be construed, interpreted and, to the extent required, deemed to have been amended to reflect and provide that the maximum Interest that the Lender is and shall be entitled to charge and receive in respect of the Advance shall be 1/10th of 1% less than the Criminal Rate (the "**Maximum Allowable Interest**");
 - (iii) no payment or partial payment of interest on the Credit Facilities shall be in excess of the Maximum Allowable Interest;
 - (iv) any payment of Interest made by the Borrower on account of the Credit Facilities that would be in excess of the Maximum Allowable Interest or would otherwise be deemed to be at a Criminal Rate shall, in respect of the amount that is in excess of the Maximum Allowable Interest or is at a Criminal Rate, be deemed to be held in a suspense account, with the

applicable Maturity Date being extended as necessary to make such payment less than the Maximum Allowable Interest; and

- (v) for the purposes hereof, "Criminal Rate" and "Interest" shall have the meaning specified in the *Criminal Code of Canada*.
- (c) For purposes of the *Interest Act* (Canada) (A) whenever a rate of interest hereunder is calculated on the basis of a year (the "deemed year") which contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest shall be expressed as a yearly rate by multiplying such rate of interest by the actual number of days in the calendar year of calculation and dividing it by the number of days in the deemed year; (B) the principal of deemed reinvestment shall not apply to any interest calculation hereunder; and (C) the rates of interest quoted by Lender to the Borrower pursuant hereto are intended to be nominal rates and not effective rates or yields.
- (d) Notwithstanding any other provision to the contrary herein, if the Borrower fails to pay any amount of principal, interest or other amount payable hereunder on the due date for any such amount (a "**Payment Failure**"), then during the occurrence and continuance of such Payment Failure, interest on such overdue amount shall accrue at a rate equal to the Interest Rate plus 2% per annum to the maximum extent permitted by Applicable Law (i) calculated and accruing daily from and including such due date up to but excluding the date of actual payment, both before and after demand, default or judgment, (ii) compounded monthly on the first Business Day of each calendar month with the amount of such accrued interest being added to the outstanding principal amount of the Initial Advance on such Business Day; and (iii) shall be payable by the Borrower on the earlier of: (a) the date on which the Borrower has remedied such Payment Failure, (b) the date on which the Indebtedness has been paid in full, and (c) the Maturity Date.

7. Prepayment

Provided no Event of Default has occurred and is continuing, the Borrower shall have the privilege to prepay all (and only all) of the Indebtedness outstanding at any time by provision of thirty (30) days' notice and payment of the Interest Rate Differential; provided however, that any partial prepayment shall in no way release the Borrower from its obligation to make any payments required pursuant to the provisions of the Security or this Agreement.

8. Pre-Authorized Payment

All sums to be paid to the Lender pursuant to this Agreement, whether for principal, interest or otherwise, shall be paid to the Lender by way of pre-authorized withdrawal. The Borrower has provided the Lender with an executed pre-authorized debit form to allow the Lender to charge all the payments due and payable under this Agreement.

9. [Intentionally Deleted]

10. Fees

The Borrower shall pay to the Lender, on or prior to the date of the Initial Advance the Commitment Fee in respect of the Loan (less any non-refundable upfront portion of the

Commitment Fee which has been previously paid by the Borrower prior to the date of the Initial Advance as acknowledged and received by the Lender).

11. Security

To secure the due and punctual payment of the Indebtedness, and to secure the due and punctual performance of the Borrower's other obligations and covenants hereunder owing to the Affiliated Lender, the Borrower and the Guarantors have executed and delivered the Affiliated Loan Security and the Borrower and Guarantors confirm that the Affiliated Loan Security shall continue in full force and effect as valid and binding obligations of the maker thereof as security for the payment of the obligations of each such party to the Affiliated Lender.

To secure the due and punctual payment of the Indebtedness, and to secure the due and punctual performance of the Borrower's other obligations and covenants hereunder, the Borrower and the Guarantors shall execute and deliver, or cause to be executed and delivered to or assigned in favour of, the Security to the Lender.

The Security includes the following documents and instruments in favour of the Lender, all in form and substance satisfactory to the Lender and subject only to Permitted Encumbrances:

- (a) a general security agreement from the Borrower in favour of the Lender granting first ranked (other than in relation to accounts receivable, Inventory and Permitted Encumbrances) security interest in all of its present and after-acquired personal property, assets and undertaking (held);
- (b) an assignment of the Material Agreements, to be effective on the occurrence of an Event of Default (held);
- (c) an unlimited guarantee and postponement of claim executed by the Guarantors and each Additional Guarantor regarding the debts and obligations of the Borrower (held);
- (d) a security agreement from the Guarantors and each Additional Guarantor in favour of the Lender granting first ranked security interest in all of its present and after-acquired personal property, assets and undertaking (held);
- (e) landlord waivers and inter-creditor agreements as may be required by the Lender, to be obtained on a commercially reasonable efforts basis, if required (held);
- (f) a postponement and assignment of creditor's claims and postponement of security executed by each shareholder of the Borrower (held);
- (g) an assignment of insurance (held);
- (h) an amended and restated inter-creditor agreement with the Operating Lender providing for priority to the Lender to all assets of the Borrower (other than in relation to accounts receivable and Inventory) (to be obtained); and
- (i) such other security as may be reasonably required by the Lender.

The Borrower will from time to time at its expense duly authorize, execute and deliver to the Lender such further instruments and documents and take such further action as the Lender

may reasonably request for the purpose of obtaining or preserving the full benefits granted or intended to be granted to the Lender for Security and of the rights and remedies therein granted to the Lender, including without limitation, the filing of financing statements or other documents under any Applicable Law with respect to the liens created thereby. Unless prohibited by Applicable Law, the Borrower authorizes the Lender to file any such financing statement or similar documents without the signature of the Borrower.

The Borrower acknowledge that changes to Applicable Law may require the execution and delivery of different forms of documentation and accordingly the Lender shall have the right to require that the Security be amended, supplemented or replaced (and the Borrower shall duly authorize, execute and deliver to the Lender on request any such amendment, supplement or replacement with respect to the Security to which any Borrower is a party): (i) to reflect any change in Applicable Law, whether arising as a result of statutory amendments, court decisions or otherwise; or (ii) to facilitate the creation and registration of appropriate forms of security in all applicable jurisdictions.

12. Conditions Precedent to Initial Advance and Effectiveness

The Initial Advance and effectiveness of this Agreement are each subject to and conditional upon the prior satisfaction of the following conditions precedent:

- (a) at or prior to the Effective Date, no Event of Default shall have occurred and be continuing;
- (b) the Lender shall have received this Agreement, the other Loan Documents (including, without limitation the Security indicated as "to be obtained" in Section 11 and any necessary consents or subordinations of third parties as may be required by the Lender) and all other documentation related hereto and thereto duly executed and delivered by the Loan Parties and in form and substance satisfactory to the Lender and its legal counsel;
- (c) the Lender and the Affiliated Lender shall have first ranking security over all Property of the Loan Parties pursuant to the Security, subject only to the Operating Lender Intercreditor Agreement and Permitted Encumbrances, and the Loan Documents shall have been registered, recorded or filed in all jurisdictions deemed necessary by the Lender and its legal counsel;
- (d) the Lender shall have received certificates representing all Equity Interests pledged pursuant to the Security and endorsements executed in blank relating to those certificates;
- (e) the Lender shall have received timely notice of the Initial Advance as required hereunder;
- (f) the Lender shall have received payment in full from the Borrower of all reasonable fees and out of pocket expenses payable to the Lender which have become due (including all reasonable fees and disbursements of legal counsel to the Lender) and the Lender shall have received payment in full from the Borrower the balance of the Commitment Fee;
- (g) at the Lender's discretion, but subject to the Operating Lender Intercreditor Agreement and Permitted Encumbrances, the Lender shall have received from all of the secured creditors who have registered against a Loan Party pursuant to

the PPSA appropriate discharges or acknowledgments in favour of the Lender and the Affiliated Lender, in a form acceptable to the Lender, specifying the collateral which is the subject matter of such registration in its favour, and confirming that such secured creditor will not take any new security which ranks or purports to rank ahead of the Security pursuant to such registration;

- (h) the Lender shall have received confirmation of the Closing of the Canadian Aggregate Shareholder Loan on business terms (maturity, interest rate and repayment) substantially similar to the Credit Facilities, as determined by the Lender;
- (i) the Lender shall have received evidence to the satisfaction of the Lender that the Borrower has secured a firm commitment from the Operating Lender in respect of the Operating Facility in an amount not less than \$13,500,000 until December 31, 2019 and not less than \$10,000,000 for the period thereafter and the Operating Lender and the Lender shall have executed and delivered an amended and restated Operating Lender Intercreditor Agreement;
- (j) the Lender shall have completed to its satisfaction (at its sole and absolute discretion) its due diligence of the Loan Parties and be reasonably satisfied with, without limitation: (i) the organizational, legal, management and capital structure of the Loan Parties, (ii) the nature and status of all insurance, material contractual obligations, securities, labour, tax, employee benefit (including pension plan), regulatory and environmental and health and safety matters, (iii) the structure, steps in connection with and tax effect of any transactions contemplated by this Agreement, (v) anti-money laundering due diligence in respect of the Loan Parties, and (vi) any other matters involving or affecting any Loan Party as is required to be disclosed in this Agreement as at the date of the Initial Advance, and in connection therewith, the Lender shall have received true and complete copies of all relevant documents relating thereto;
- (k) the Lender shall be satisfied that the Vendor Note is fully subordinated and postponed to the Credit Facilities and Affiliated Loans;
- (l) the Lender shall have received copies of all Leases between the Loan Parties and their landlords in respect of the premises operated by it and the Lender shall be satisfied with them in its sole discretion;
- (m) the Borrower shall have delivered or cause to be delivered to the Lender or the Affiliated Lender, as requested by the Lender, all documentation and other information required under Anti-Terrorism Laws by any Governmental Authority including, without limitation, "know your customer" rules and regulations;
- (n) the Lender or the Affiliated Lender shall have received an independent third party desktop appraisals of the Loan Parties' Property, including the Vendor's Property sold to the Borrower pursuant to the PSA, in form satisfactory to the Lender and its solicitors indicating that the fair market value and orderly liquidation value of the Property are satisfactory to the Lender;
- (o) the Borrower shall have delivered to the Lender or the Affiliated Lender and their solicitors in form and substance satisfactory to the Lender, acting reasonably:

- (i) a certificate of each Loan Party, certifying as to its constating documents and bylaws (copies of which shall be attached to such certificate), a list of its officers and directors with specimens of the signatures of those who are executing Loan Documents on its behalf, and the corporate or equivalent proceedings taken to authorize it to execute, deliver and perform its obligations under the Loan Documents and such other corporate information as the Lender may reasonably require;
 - (ii) a certificate of status, compliance, good standing or similar certificate for the jurisdiction of incorporation of each Loan Party and for each jurisdiction where any such Loan Party carries on business or where registrations or filings in relation to the Security made by that Loan Party have been effected;
 - (iii) currently dated opinions, addressed to the Lender and Lender's counsel in form and substance satisfactory to the Lender and Lender's counsel, acting reasonably, from Blake, Cassels & Graydon LLP, counsel for the Loan Parties, and such other local counsel to the Loan Parties as the Lender may reasonably require and opining to such matters as the Lender or its solicitors may require; and
 - (iv) such additional supporting documents as the Lender or its counsel may reasonably request;
- (p) the Lender shall have received certificates of insurance or other evidence that the covenants and conditions of the Loan Documents concerning insurance coverage are being complied with;
- (q) the Lender shall have received and found satisfactory, in its sole discretion:
- (i) a copy of the Loan Parties' gravel resource assets reserve report prepared in connection with the closing of the PSA;
 - (ii) audited financial statements for the year ended December 31, 2018;
 - (iii) unaudited interim financial statements (on a consolidated and unconsolidated basis) for the most recent fiscal quarter then ended; and
 - (iv) evidence of payment of all applicable source deductions, including income tax, Canada Pension Plan, Employment Insurance premiums and that no arrears exist in such payments;
- (r) the Loan Parties shall have delivered to the Lender a certificate signed by an authorized officer of each Loan Party to the effect that as at the date of the Initial Advance:
- (i) all of the representations and warranties of the Loan Parties herein shall be true and correct on and as of the Effective Date as though made on and as of such date; and
 - (ii) no other event shall have occurred that, in the Lender's sole discretion, materially adversely affects or could materially adversely affect either: (i) the business, assets, liabilities, prospects, financial condition or operations of any of the Loan Parties, or (ii) the value of the Collateral.

- (iii) all conditions contained in this Agreement and the other Loan Documents to be observed or performed by the Loan Parties have been observed or performed; and
- (iv) at or prior to the Effective Date, no Event of Default shall have occurred and be continuing;
- (s) all necessary governmental and third party consents and approvals necessary in connection with this Agreement and the transactions contemplated hereby shall have been obtained (in form and substance reasonably acceptable to the Lender) and shall remain in effect. All applicable government filings shall have been made and all applicable waiting periods shall have expired without in either case any action being taken by any competent authority; and no law or regulation shall be applicable in the judgement of the Lenders that restrains, prevents or imposes materially adverse conditions upon this Agreement or the transactions contemplated hereby;
- (t) the Lender must have received consents that are required from the directors, shareholders, partners or members of the Loan Parties, either in connection with the pledges of Pledged Securities or in connection with any disposition of the Pledged Securities upon enforcement of the Security; and
- (u) the Initial Advance hereunder shall have occurred no later than November 30, 2019.

13. Conditions Precedent to All Advances

The Lender will not make any Advance hereunder unless the following conditions have been satisfied or the Lender has agreed to waive the same:

- (a) no Event of Default shall have occurred and be continuing;
- (b) use of the proceeds of the Advance only for purposes stipulated in the Term Sheet and any other term sheets among the Borrower, the Guarantors and the Lender;
- (c) the Lender having received all fees required pursuant to the Term Sheet and any other term sheets among the Borrower, the Guarantors and the Lender;
- (d) all representations and warranties contained in this Agreement being true and correct in all material respects (unless made of a specific date);
- (e) there having been no Material Adverse Effect since the Effective Date;
- (f) the Lender having received consolidated audited financial statements for the Borrower and the Guarantors in respect of the fiscal year in which the Advance is being made;
- (g) the Borrower providing a direction to pay to the Lender with respect to the Advance;
- (h) satisfactory review of environmental remediation obligations and any potential liabilities;

- (i) the Lender shall have received a Request for Funds not less than ten (10) Business Days prior to an Advance hereunder;
- (j) the Lender shall have received from all of the secured creditors with liens registered against the assets as are to be financed by way of the Advance appropriate discharges or releases of security interests (other than Permitted Encumbrances); and
- (k) the Borrower shall have delivered to the Lender a certificate signed by an authorized officer of the Borrower to the effect that as at the date of any Advance:
 - (i) all representations and warranties set forth in this Agreement are true and correct (other than representations and warranties made as of a specific date);
 - (ii) there has been no Material Adverse Effect since the date of this Agreement; and
 - (iii) all conditions contained in this Agreement to be observed or performed by the Borrower have been observed or performed.

14. Affirmative Covenants

Each Loan Party covenants and agrees that they each shall:

- (a) with respect to the Borrower, it will duly and punctually repay to the Lender amounts owing pursuant to the Credit Facilities and interest thereon at the Interest Rate and all other sums payable pursuant to the terms of this Agreement, on the dates, at the places, in the monies and in the manner provided for in the Loan Documents;
- (b) perform, observe and comply at all times with the covenants, terms, conditions, stipulations and provisos of the Loan Documents and other reasonable requirements stipulated by the Lender from time to time;
- (c) upon request of the Lender, execute and deliver or cause to be executed and delivered to the Lender such further and other documents, agreements, opinions, conveyances, mortgages, assignments, pledges and assurances from time to time as the Lender or its solicitors may reasonably require for the purpose of protecting or perfecting the Security, including any after acquired property whether or not now charged under the Security, all to be in such form and to contain such terms and conditions as may be required by the Lender's solicitors;
- (d) fully and effectually maintain and keep maintained the Security hereby created as valid and effective security at all times;
- (e) within 60 days of the Effective Date deliver to the Lender, or cause to be delivered to the Lender, the following security, assurances and documentation, which upon deliver shall be deemed to form part of the Security:
 - (i) pledges of all Equity Interests of the Loan Parties that are owned by the Loan Parties from time to time (to be obtained);

- (ii) a mortgage of lease for all gravel leases located on the Lands (to be obtained);
 - (iii) a conditional surrender of lease for all gravel leases located on the Lands (to be obtained);
 - (iv) a postponement and assignment of creditor's claims and postponement of security granted by the Vendor in relation to the Vendor Note and any security granted in relation thereto (to be obtained);
 - (v) a postponement and assignment of creditor's claims and postponement of security granted in relation to the Canadian Aggregate Shareholder Loan and any security granted in relation thereto (to be obtained);
 - (vi) a collateral sharing and security amending agreement among the Lender, the Affiliated Lender and the Loan Parties confirming that the Affiliated Loan Security can be held as security for the Indebtedness owing to the Lender pursuant to this Agreement and the other Loan Documents (to be obtained);
 - (vii) a certificate of insurance/binder letter showing the Lender as loss payee pursuant to the Standard Mortgage Clause provisions (to be obtained);
- (f) execute as required, and deliver to the Lender such other instruments of security, assurances and documentation as the Lender may require in accordance with the terms and conditions of Loan Documents, including, but not limited to, agreements for the benefit of the Lender from landlords of leased Premises designated by the Lender in which any Loan Party carries on business and from counterparties to material contracts and material permits designated by the Lender, all of which instruments of security, evidences of indebtedness and documents shall be in such form and shall contain such terms and conditions as may be required by the Lender's solicitors;
- (g) repair and keep in repair and good order and condition all buildings, erections, machinery and other plant and equipment and appurtenances thereto, the use of which is necessary or advantageous in connection with its business, up to a modern standard of usage and maintain the same consistent with the best practice of other corporations having similar undertakings; renew and replace all and any of the same which may be worn, dilapidated, unserviceable, obsolete, inconvenient or destroyed or may otherwise require renewal or replacement and at all reasonable times allow the Lender or its representative access to its premises in order to view the state and condition the same are in and in the event of any loss or damage thereto or destruction thereof, the Lender may give notice to the Borrower to repair, rebuild, replace or reinstate within a time to be determined by the Lender and to be stated in such notice and upon such Loan Party failing to so repair, rebuild, replace or reinstate within such time, such failure shall constitute default hereunder, and will keep all of its assets in good condition and repair and maintain and replace as required according to the nature thereof;
- (h) keep in good repair and free from all Encumbrances, other than the Security and Permitted Encumbrances, of any nature whatsoever any and all Chattels which

are now or which may in the future be used either directly or indirectly in the operations and business of the Loan Parties;

- (i) duly and punctually pay all debts and obligations to or on behalf of or in respect of workmen, employees and others which, if unpaid, might under the laws of Canada or of the Provinces of Alberta or British Columbia (or the equivalent legislation applicable in the State of Washington) priority over the Security hereby created or any part thereof;
- (j) promptly pay the full amount of:
 - (i) any reasonable charges by or expenses of the Lender in inspecting, protecting or valuing each Loan Party's assets;
 - (ii) all costs, fees, disbursements, charges and expenses which have been or may be incurred by the Lender in negotiating the Credit Facilities; in investigating or perfecting title to each Loan Party's assets and the capacity of each Loan Party to borrow the money secured hereby; in preparing and registering the Security, and all documents incidental or collateral hereto; in advancing any portion of the monies secured under the Security, in taking, recovering and keeping or attempting to procure possession of each Loan Party's assets or any part thereof; in enforcing or attempting to enforce the personal remedies or any other remedies available under the Security; in collecting or attempting to collect any of the monies secured under the Security; in realizing or attempting to realize on any Security collateral hereto; in any foreclosure or other proceedings, judicial or otherwise, to protect each Loan Party's assets or to realize on the Security or any part thereof; or in connection with any receivership and if a solicitor is retained in connection with any of the foregoing, such solicitor's fees and disbursements shall be paid on a basis of a lump sum bill; and if any other professional person or firm is retained or employed such person's or firm's fees shall be paid on the basis of his or its normal professional charges; and
 - (iii) all other reasonable costs and expenses of the Lender incurred in connection with the Credit Facilities;
- (k) pay or cause to be paid all sums that become due by a Loan Party to any person, including pursuant to the Operating Lender Credit Facilities and Operating Lender Loan and Security Documents and the Affiliated Loans and Affiliated Loan Security, subject to the obligation of such Loan Party to make payments to the Lender hereunder;
- (l) pay or cause to be paid all business taxes as and when the same become payable and upon request produce to the Lender receipts thereof;
- (m) make or cause to be made all payments required pursuant to any mortgage, charge or Encumbrance which has priority to any of the Security;
- (n) maintain insurance on all of its assets and properties with financially sound and reputable insurance companies against such perils as is usual with corporations holding similar assets and properties and in an amount not less than their full

- insurable value, as required by the Term Sheets, and is acceptable to the Lender and its solicitors and provide proof of same to the Lender;
- (o) maintain public liability insurance with financially sound and reputable insurance companies as is usual for corporations conducting businesses similar to the Borrower and as is acceptable to the Lender and its solicitors and provide proof of same to the Lender;
 - (p) forthwith upon request furnish at its own expense, a certificate of a competent appraiser or other competent person selected by the Lender as to the sufficiency or otherwise of any insurance and as to the type and amount thereof;
 - (q) provide upon request any information, whether financial or otherwise, which the Lender may reasonably require from time to time;
 - (r) keep adequate records and books of account in accordance with Generally Accepted Accounting Principles and permit, upon reasonable notice by the Lender to the Borrower, the Lender by its agents, accountants and solicitors to enter upon the premises of a Loan Party and examine such Loan Party's records and books of account and make extracts therefrom and to discuss the records and books of account with officers of such Loan Party at such reasonable times as may be required by the Lender;
 - (s) upon reasonable notice by the Lender to the Borrower, permit the Lender its servants and agents, to enter at all reasonable times into and upon the Lands and premises owned or occupied by a Loan Party and view the state and condition thereof and of all such Loan Party's assets;
 - (t) give to the Lender prompt and immediate notice of any statement of claim, petition writ or other Court process, or distress or seizure that may affect a Loan Party, where such claim, petition writ or Court process advances claims or affects assets of Loan Party in an amount in excess of Two Hundred Fifty Thousand (\$250,000) Dollars;
 - (u) give written notice to the Lender of the occurrence of an Event of Default hereunder or of any other event which, with the giving of notice or the lapse of time, would constitute an Event of Default hereunder, forthwith upon the happening of such occurrence and provide the Lender with details of the action taken or proposed to be taken such Loan Party to remedy same;
 - (v) maintain its corporate existence and do all such acts as are required in order to permit it to legally carry on its business;
 - (w) carry on and conduct the business of the Loan Parties in a proper and efficient manner;
 - (x) use the proceeds of the Credit Facilities only for purposes stipulated in the Term Sheets;
 - (y) do, observe and perform or cause to be done, observed and performed all of its obligations and all matters and things necessary or expedient to be done, observed or performed under or by virtue of any law of Canada or any province or municipality thereof (or the equivalent legislation applicable in the State of

- Washington), including, but not limited to, any law pertaining to workplace health and safety and environmental laws;
- (z) pay all statutory payroll source deductions when due and immediately advise the Lender of any source deductions that are unremitted;
 - (aa) on request by the Lender, the Borrower shall give Canada Revenue Agency and other governmental entities written authorization to disclose to the Lender the status of any priority claims;
 - (bb) will pay all premiums and sums of money necessary in relation to any policy or policies of insurance maintained by a Loan Party as the same shall become due;
 - (cc) within 10 Business Days of creating or acquiring any Subsidiary (or in the case of the Parent Group, any Subsidiary which carries on business in North America the same as, similar to or related to the Borrower's business), the Borrower or the Parent Group, as applicable, will cause such Subsidiary to provide the Security required by Section 11 and such other Security as the Lender may reasonably require, in each case, in form and substance acceptable to the Lender, acting reasonably, together with such other supporting documentation and legal opinions as the Lender may reasonably require. The Borrower or the Parent Group, as applicable, will notify the Lender upon the creation or acquisition of any new Subsidiary promptly upon the creation or acquisition thereof, and in any event, no later than 10 Business Days after any such creation or acquisition;
 - (dd) promptly cure or cause to be cured any defects in the execution and delivery of any of the Loan Documents or any defects in the validity or enforceability of any of the security agreements and at their expense (to the extent the Borrower was responsible for any such defect or default), execute and deliver or cause to be executed and delivered, all such agreements, instruments and other documents as the Lender may consider necessary or desirable for the foregoing purposes.

15. Negative Covenants

Each Loan Party covenants and agrees that it shall not, without the prior written approval of the Lender first had and received:

- (a) permit any material change in a Loan Party's business or operations;
- (b) except as it pertains to the Lands, sell or otherwise dispose of any of its assets - outside the ordinary course - by conveyance, transfer, lease or otherwise where net proceeds from any sale or disposition of assets unless:
 - (i) for a conveyance, transfer or lease less than Five Hundred Thousand (\$500,000.00) Dollars: the net proceeds of such conveyance, transfer or lease are reinvested in the business of the Loan Party within one hundred eighty (180) days; or
 - (ii) for a conveyance, transfer or lease equal to or greater than Five Hundred Thousand (\$500,000.00) Dollars: the Lender has provided prior approval for such conveyance, transfer or lease and no Event of Default has occurred or will result from such conveyance, transfer or lease;

- (c) sell or otherwise dispose of the Lands, or any portion thereof, by conveyance, transfer, lease or otherwise;
- (d) other than in relation to the Security, Permitted Future Capital Leases and Permitted Encumbrances, create, assume or permit to exist any mortgage or charge or security interest of any nature or kind whatsoever on any of its assets or property, including those Chattels charged in favour of the Lender or any part thereof;
- (e) permit the Operating Facility to exceed the Operating Lender Credit Facilities Limit;
- (f) at any time that:
 - (i) the Debt Service Coverage is less than 2:1, make any Distribution except with the express written consent of the Lender; and
 - (ii) the Debt Service Coverage is equal to or greater than 2:1, make any Distribution where an Event of Default has occurred and is continuing or the making of such Distribution would result in the occurrence of an Event of Default;
- (g) make any Canadian Aggregate Principal Repayment unless:
 - (i) the Debt Service Coverage for the immediately preceding three fiscal quarters was greater than 1.5:1;
 - (ii) the making of a Canadian Aggregate Principal Repayment will not result in the occurrence of an Event of Default; and
 - (iii) the making of a Canadian Aggregate Principal Repayment will not result in the breach of the Debt Service Coverage evaluated on a trailing twelve month basis and on a forward-looking basis projected for the four quarters immediately following such payment;
- (h) make any payments or transfer any of their undertaking, properties, rights or assets to any person without due consideration which in any manner diverts, or could result in the diversion of, assets and/or opportunities of the a Loan Party to such other person;
- (i) reimburse any expense paid or otherwise incurred by anyone, except to the extent that those expenses were incurred in the ordinary course of business and are a reasonable amount;
- (j) reduce its capital or make any distribution of assets;
- (k) redeem or purchase any of its present or future outstanding Equity Interests or otherwise retire or pay off any such Equity Interests;
- (l) do or suffer anything to be done whereby any policy or policies of insurance maintained by a Loan Party may become vitiated; if such Loan Party shall fail to insure or cause to be insured all of its assets or any part thereof, or to pay or cause to be paid the premiums with respect to such insurance or to deliver the policies or contracts as aforesaid or if the Lender receives notice of the intended

- cancellation of any such policy or contract, the Lender shall be entitled to insure all of its assets, provided however that the Lender shall not be bound to insure all of its assets or, in the event of insuring all of its assets to insure any other than the interest of the Lender only, or to see to the payment of the premiums on any policy or be liable or responsible for any loss arising out of any defect in any policy or failure of any insurance company to pay for any loss thereunder;
- (m) make a loan to or investments in any person (other than to another Loan Party);
 - (n) lend any amount to any shareholder, director or officer of a Loan Party (other than to another Loan Party) or person whose relationship to them is non-arms-length as that term is defined in the *Income Tax Act* (Canada) or lend any amount to any other person, firm or corporation other than in the ordinary course of such Loan Party's business;
 - (o) other than in relation to the Operating Facility, Affiliated Loans, the Affiliated Loan Security and the Loan Documents, become a guarantor of any obligation nor become endorser in respect of any obligation or otherwise become liable upon any note or obligation of any nature or kind whatsoever except for the benefit of the Lender;
 - (p) surrender its Certificate of Incorporation, voluntarily wind up its business or take any other steps toward discontinuance of its business;
 - (q) change its present Fiscal Year;
 - (r) change its name, or the location of its place of business, if it has only one place of business, or its chief executive office without giving the Lender 30 days prior written notice;
 - (s) merge, amalgamate or consolidate with or into any other person or corporation;
 - (t) destroy any of its material financial records;
 - (u) enter into any contract or arrangement of any nature or kind which may materially adversely affect the Borrower's assets and the charges created hereunder;
 - (v) make unfinanced capital expenditures in any Fiscal Year in excess of the sum of Seven Hundred Fifty Thousand (\$750,000) Dollars;
 - (w) during the term of this Agreement, have purchase money obligations having annual payment obligations of more than \$1,750,000.00 in the aggregate without prior written consent of the Lender;
 - (x) remove any Chattels forming part of each Loan Party's assets from the Provinces of British Columbia, Alberta, Saskatchewan and North West Territories or the States of Delaware, Colorado and Washington;
 - (y) permit a Loan Party to default in its obligations pursuant to any Material Agreement;
 - (z) enter into any transaction (whether by way of amalgamation, merger, winding-up, consolidation, reorganization, transfer, sale, lease or otherwise) whereby any of their undertaking, properties, rights or assets would become the property of any



other person or entity, or in the case of amalgamation, of the continuing corporation resulting therefrom;

- (aa) incur or repay any indebtedness, other than pursuant to or as otherwise expressly permitted under this Agreement, except for payments under debt secured by the Permitted Encumbrances or any arm's length trade debts, obligations or other liabilities incurred in the ordinary course of business; and
- (bb) do any other act that by the terms of the Loan Documents it is not permitted to do.

16. Financial Covenants

During the term of this Agreement, the Borrower covenants with the Lender as follows:

- (a) the ratio of Total Senior Funded Debt to EBITDA shall at all times, but tested on a rolling four quarter and consolidated basis, be equal to or less than:
 - (i) 3.5:1 for the time period from the first anniversary of the Initial Advance until the fiscal quarter ending June 30, 2020;
 - (ii) 3.25:1 for the time period from the fiscal quarter ending June 30, 2020 until the fiscal quarter ending June 30, 2021; and
 - (iii) 3.0:1 for all times thereafter;
- (b) the ratio of Debt Service Coverage shall at all times, but tested on a rolling four quarter and consolidated basis, be equal to or greater than 1.50:1; and
- (c) the Current Ratio shall at all times, but tested on a quarterly basis, be equal to or greater than 1.25:1.

17. Reports

The Loan Parties shall, in a form and manner prescribed by the Lender (which may include by fax and/or e-mail), deliver to the Lender the following, signed by a senior officer of the Loan Parties all in form, scope and substance acceptable to the Lender, acting reasonably:

- (a) audited Financial statements of the Borrower (on a consolidated basis) within one hundred and twenty (120) days of the end of the Fiscal Year, along with a report showing calculations of financial covenants and a Compliance Certificate signed by an officer of the Borrower;
- (b) unaudited internally prepared, consolidated financial statements of the Borrower within forty-five (45) days of the end of each fiscal quarter, along with a report showing calculations of financial covenants, a Compliance Certificate and a comparison to budget and the same period for the year previous signed by an officer of the Borrower is to be included with the reporting package;
- (c) a business plan and monthly operating budget for the coming Fiscal Year within thirty (30) days of the end of each Fiscal Year, including a financial forecast, including income statements, capital expenditures statements, capital expenditure, budget, balance sheet, cash flow, detailed list of assumptions and

- projected compliance ratios along with management discussion and analysis of any deviation of more than 10% from the prior Fiscal Year;
- (d) a report on equipment purchased and sold, including cost and application of proceeds of sale, within one hundred and twenty (120) days of the end of the Fiscal Year;
 - (e) a compliance report signed by an officer of the Borrower within forty-five (45) days of the end of each fiscal quarter, the effect that full payment has been made of all source deductions (employee deductions, CPP, employment insurance and goods and services tax) required by the applicable government authority have been paid in full and there are no principal interest arrears, all property taxes have been paid and Borrower is in full and complete compliance with conditions of its funded debt;
 - (f) such additional financial information with respect to the Borrower as and when reasonably requested by the Lender; and
 - (g) forthwith, particulars of any occurrence which constitutes an Event of Default, or of any action, suit or proceeding, pending or to the Borrower's knowledge threatened against any Borrower.

18. Representations

Each Loan Party represents and warrants that:

- (a) each Loan Party: (i) is a corporation or company has been duly incorporated, amalgamated or continued, as the case may be, and is validly subsisting as a corporation or company and qualified to do business under the laws of its jurisdiction of incorporation, amalgamation, or continuance, as the case may be, (ii) that is not a corporation or company has been duly created or established as a partnership, limited partnership, trust or other entity and validly exists under the laws of the jurisdiction in which it has been created or established, and (iii) has not adopted or designated any name (including any French name) except as set forth on Schedule I;
- (b) each Loan Party is in compliance with all laws, regulations and orders of any governmental entity applicable to it or its property and all indentures, agreements and other instruments binding upon it or its property;
- (c) each Loan Party has full power, authority and capacity to execute and deliver the Loan Documents to which it is party and to carry out the transactions contemplated herein and therein, all of which have been duly and validly authorized by all necessary corporate proceedings and that the documents hereinbefore referred to have been duly executed and delivered by such Loan Party;
- (d) neither the execution nor delivery of a Loan Document, nor the fulfillment of or compliance with the terms and provisions thereof will contravene any provision of law, including, without limitation, any statute, rule, regulation, judgment, decree, order, franchise or permit applicable to a Loan Party or conflict with or result in a material breach of the terms, conditions or provisions of or constitute a default

- under any agreement or instrument to which such Loan Party is now a party or by which any of its property or assets may be bound or affected;
- (e) each Loan Document constitutes legal, valid and binding obligations of the each Loan Party enforceable in accordance with their respective terms;
 - (f) to the best of its knowledge and belief, there are no pending or threatened actions or proceedings before any Court or administrative agency which may materially adversely affect the financial condition or operations of the Loan Parties;
 - (g) the contents of all documents furnished to the Lender by or on behalf of a Loan Party to induce the Lender to lend the monies hereunder are true and correct in all material respects and accurately set out all the facts contained therein;
 - (h) all financial information and statements which have been delivered to the Lender are true and accurate and have been prepared in accordance with Generally Accepted Accounting Principles consistently applied and fairly represent the financial position of the person or entity which each purports to reflect and the financial position so reflected has not suffered, or could not reasonably be expected to have suffered, either individually or in the aggregate, any Material Adverse Effect to the date hereof;
 - (i) other than in relation to Permitted Encumbrances, each Loan Party and its assets are not a party to or bound by any contract, agreement or undertaking or subject to any restriction in constating documents or to any other corporate, contractual or personal restriction or inhibition howsoever imposed that would materially or adversely affect the business, property, assets or financial condition of such Loan Party;
 - (j) each Loan Party lawfully owns and is lawfully in possession of all of its assets and that it has a good right and lawful authority to grant, convey, assign, transfer, hypothecate, mortgage, pledge and charge its assets as provided herein and in the Security;
 - (k) other than in relation to the Permitted Encumbrances, there are no mortgages, debentures, chattel mortgages, conditional sales contracts, or other security documents, liens or Encumbrances of any nature or kind in existence or promised which are in any manner capable of becoming registered so as to give priority of same to the detriment of the Security;
 - (l) there are no outstanding judgments or awards against the Loan Parties, except as have been disclosed to the Lender in writing;
 - (m) there is no fact known to the Loan Parties which materially or adversely affects or to the extent reasonably foreseeable by the Loan Parties may in the future materially or adversely affect the business prospects or financial condition of the any of the Loan Parties or their assets;
 - (n) each Loan Party has filed all material tax returns which are required to be filed by it and has paid all taxes and claims arising therefrom ranking in priority to the Encumbrances created by the Loan Documents (including interest and penalties) which are due and payable, unless such payment is being contested in good faith

- by appropriate proceedings and adequate reserves, as determined by the Lender acting reasonably, are held in respect thereof;
- (o) the authorized capital of the Loan Parties is as set out in the attached Schedule C;
 - (p) each Loan Party owns, or is licensed to use, all trademarks, tradenames, copyrights, patents or other intellectual property material to its business, and the use thereof by such Loan Party does not infringe upon the rights of any other person;
 - (q) none of the Loan Parties is in default under any of their respective obligations and there are no actions, suits or proceedings, pending or threatened, against or affecting any of them;
 - (r) none of the Loan Parties are aware of any facts or circumstances that would have an adverse impact on the value of the collateral secured by the Security;
 - (s) as of the date hereof, both before and after giving effect to (a) the financing transaction to be consummated on the date hereof and (b) the payment and accrual of all fees, costs and expenses in connection therewith, each Loan Party is and will be solvent;
 - (t) the ownership structure set out in Schedule I accurately reflects the organizational and ownership structure of each Loan Party as at the date hereof. The Relevant Jurisdictions for each of the Loan Parties are set forth on Schedule I;
 - (u) all information furnished by or on behalf of the Loan Parties in writing to the Lender in connection with this Agreement or any transaction contemplated hereby, is true and correct and does not omit any fact necessary in order to make such information not misleading; and
 - (v) no event or circumstance has occurred which has had or could reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect, which has not been fully and accurately disclosed to the Lender in writing.

All representations and warranties of the Loan Parties shall be true and accurate as of the date of any advance under the Credit Facilities (other than representations or warranties made as of a specific date) and shall survive the advance of any funds by the Lender to the Borrower or the delivery or registration (if applicable) of the Security and shall continue until the Security has been discharged and released in full by the Lender.

19. Events of Default

Each of the following shall constitute an Event of Default:

- (a) if the Borrower shall make default in payment of any principal or interest in regard to the Indebtedness;
- (b) if any Loan Party should default or be in breach of the performance or observance of any part of the covenants, agreements, conditions on the part of such Loan Party to be kept, observed, performed or given hereunder or under the Loan Documents or should any other person, firm, or company being a party

to Loan Document fail to carry out or observe any covenant or condition herein or therein on its part to be observed or performed and such deficit or failure is not cured by such Loan Party within thirty (30) days following receipt of notice from the Lender;

- (c) if any representation or warranty made by a Loan Party with respect to a Loan Document or any other information provided in support of the Borrower's application to the Lender for the Credit Facilities is found to be materially incorrect and such incorrect representation or warranty has not remedied within thirty (30) days after written notice of such incorrect representation or warranty is given to the Borrower by the Lender;
- (d) if any Loan Party shall create or attempt to create any mortgage or charge or permit any lien to be created or arise on any of its assets except as otherwise permitted herein;
- (e) if a Loan Party should fail to pay any charges, rents, taxes, or rates on leasehold property, or other charges of a like nature, or if a Loan Party fails to observe and perform any of the covenants, payments or conditions in any lease, license, concession, agreement, mortgage, agreement for sale, charge or Encumbrance and such failure or default could reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect;
- (f) if a Loan Party defaults under any Material Agreement to which it is a party and such failure or breach is not remedied or cured by such Loan Party within thirty (30) days;
- (g) if a Loan Party makes default in the payment of the principal or interest in relation to any other borrowed money, or in the performance of any term, condition or covenant contained in any instrument under which any such Indebtedness is outstanding and such default is not cured within ten (10) days of notice;
- (h) if an order shall be made or an effective resolution passed for the winding-up of a Loan Party or any member of the Parent Group, or if a petition is filed for the winding-up of such Loan Party or member of the Parent Group;
- (i) if a Loan Party or any member of the Parent Group shall make an assignment for the benefit of creditors or be declared bankrupt, or if a custodian or receiver or receiver and manager or other officer with similar powers be appointed with respect to such Loan Party or member of the Parent Group or any of its property or if such Loan Party or member of the Parent Group makes or files a notice of intention to make a proposal or otherwise takes advantage of provisions for relief under the *Bankruptcy and Insolvency Act* or the *Companies' Creditors Arrangement Act* (or equivalent legislation in the promulgated pursuant to the laws of the United States of America) as now or hereafter in force or makes any arrangement with its creditors pursuant to the terms of the *Business Corporations Act* of Alberta (or equivalent legislation in the promulgated pursuant to the laws of the United States of America) as now or hereafter in force;
- (j) if a Loan Party or any member of the Parent Group ceases or threatens to cease to carry on its business or if such Loan Party or member of the Parent Group commits any act of bankruptcy;

- (k) if a Loan Party or any member of the Parent Group passes or purports to pass any resolution or takes or purports to take any corporate proceedings which would result in its reorganization, amalgamation or merger with another entity or the transfer of all or substantially all of its assets, or take proceedings for its dissolution or liquidation;
- (l) if a Loan Party or any member of the Parent Group shall lose its charter by expiration, forfeiture or otherwise or if a receiver or receiver-manager for all or any part of such Loan Party's or member of the Parent Group's assets or any other party with like powers shall be appointed;
- (m) if any execution, distress, sequestration or any other process of any court become enforceable against a Loan Party or any member of the Parent Group or if a distress or analogous process is levied upon the property of such Loan Party or member of the Parent Group or any part thereof, provided however that the Security shall not be enforceable if:
 - (i) such execution, sequestration or other process is in good faith being disputed by such Loan Party or member of the Parent Group;
 - (ii) the Lender does not, in its sole discretion, feel that such execution, distress, sequestration or other process hereinbefore referred to jeopardizes or impairs its security, or prejudices the rights of the Lender; and
 - (iii) at the Lender's request, such Loan Party or member of the Parent Group provides further security which the Lender in its absolute discretion deems sufficient to pay in full the amount claimed in the event that the execution, distress, sequestration or any other process as hereinbefore referred to is held to be valid against such Loan Party or member of the Parent Group;
- (n) except in the ordinary course of business or as permitted pursuant to the Loan Documents, if any assets of a Loan Party are either directly or indirectly (including without limitation by way of transfer or sale of Equity Interests) sold, transferred, assigned, conveyed, removed, alienated or disposed of in any manner whatsoever by such Loan Party or if the Lender, acting reasonably, deems such Loan Party's assets or any part thereof are in danger of being sold, transferred, assigned, conveyed, removed, alienated or disposed of;
- (o) if, without the Lender's prior written consent, there is a Change in Control;
- (p) if a Loan Party defaults under any other loan or mortgage to which it is a party, including, but not limited to, any breach of the Operating Lender Credit Facilities, the Affiliated Loans, the Affiliated Loan Security, the Security and any agreement regarding a Capital Lease and such default is not waived or cured;
- (q) if the Security shall in any respect cease to be in full force and effect or the validity thereof or the applicability thereof to this Agreement or of any of the obligations of a Loan Party thereunder or hereunder shall be disaffirmed by or on behalf of such Loan Party;

- (r) if any default occurs under any other credit, facility or security agreement to which a Loan Party or any member of the Parent Group is a party and such breach continues for ten (10) days after such Loan Party or member of the Parent Group shall have received written notice of same;
- (s) if a Loan Party makes a Distribution or a Canadian Aggregate Shareholder Loan Repayment except as otherwise permitted hereunder;
- (t) if the Security is or becomes illegal, invalid, prohibited or unenforceable and/or ceases to rank in the priority contemplated herein against the property charged thereunder; and
- (u) if a Material Adverse Change has occurred.

Upon the happening of any Event of Default, the Lender may, upon written notice to the Borrower, declare the Indebtedness to be immediately due and payable whether with or without prior demand therefore, and the Security shall become enforceable in each and every such event. The occurrence of an Event of Default shall constitute such demand as may be required with respect to any Security and shall be deemed to constitute an Event of Default under any of the Security and the Lender shall thereupon have all rights and remedies available to it at law or in equity consequent thereon, whether arising by virtue the Security, this Agreement or otherwise, including without limiting the generality of the foregoing, the right and power of the Lender to take possession of the undertaking, property and assets of the Borrower and/or appoint a receiver or receiver-manager with respect to such undertaking, property and assets.

20. Environmental Indemnity:

Each Loan Party hereby represents and warrants that its business and assets and are operated in compliance with applicable environmental laws and that no enforcement action in respect thereof is threatened or pending and covenants to continue to so operate. If (i) a Loan Party has knowledge of or (ii) if the Lender, at any time, has a reasonable basis to believe that the property of a Loan Party have or may become contaminated or subject to any environmental investigation, study, audit, remedial response, clean-up order or decree by any government or agency thereof or any other authority having jurisdiction over the Loan Parties, as the case may be, then each Loan Party shall provide the Lender with such reports, certificates, environmental audits, engineering studies or other written material or data as the Lender, acting reasonably, may require from it so as to satisfy the Lender that the Loan Parties, as applicable, are in compliance with all applicable environmental protection laws and regulations. If the Lender is required to expend any funds in compliance with applicable environmental laws, rules, regulations or court orders in respect thereof, each Loan Party shall indemnify the Lender in respect of such expenditures an Advance had been made to the Borrower under this Agreement for such purpose.

21. Preserve Security

In the event that a Loan Party shall fail to pay or cause to be paid any sum payable by it, whether according to the terms of this Agreement or otherwise, when they become payable, or shall fail to repair or cause to be repaired any buildings or improvements on the Lands, the Lender may, without prejudice to any other rights available to the Lender, pay said sum or make arrangements for such repairs and the Lender may make such other expenditures as it deems necessary so as to protect any Security or to perfect title to any Security and all sums so expended or Indebtedness incurred by the Lender, together with all costs, charges and expenses, including legal fees as between a solicitor and his client, shall be added to and form

part of the indebtedness and be secured by the Security and bear interest until paid at a rate equal to the rate of interest specified herein.

22. Further Security

The Loan Parties and the Parent Group shall forthwith, upon receipt of a request from the Lender therefore, acting reasonably, execute and deliver, or cause to be executed and delivered, to the Lender such further documents and securities and shall do such things as shall be required by the Lender to ensure that the full liability of the Borrower to the Lender shall be secured as reasonably may be required by the Lender.

23. Deemed Reinvestment

It is hereby declared, for the purpose of greater certainty, that the principle of deemed reinvestment of interest shall not affect the calculation of interest payable under this Agreement or the Security.

24. Legal Fees

All legal fees and disbursements of the Lender related to the preparation of this Agreement, the Security and any renewal or renewals of the Security shall be paid by the Borrower and may be deducted by the Lender or its solicitors from any loan proceeds.

Each Loan Party, jointly and severally, shall pay, on demand, all costs incurred by the Lender in exercising or enforcing or attempting to enforce or in pursuance of any right, power, remedy or purpose hereunder or subsisting (including legal costs as between a solicitor and his own client on a full indemnity basis and also an allowance for the time, work and expenses of the Lender or of any agent, solicitor or servant of the Lender for any purpose herein provided), together with all sums which the Lender from time to time advances, expends or incurs pursuant to any provision contained in this Agreement or the Security, whether such sums are advanced or incurred with the knowledge, consent, concurrence or acquiescence of the Loan Parties or otherwise, together with interest thereon at the highest rate payable pursuant to this Agreement calculated from the date of Advance or expenditure by the Lender to the date of payment by the Loan Party.

25. Enforcement

The Lender may at any time after the occurrence of an Event of Default without notice and without any other formality, all of which are hereby waived, enforce any or all of the Security; provided that notwithstanding anything herein or in any of the Security contained, the Lender shall not under any circumstances be bound or obligated to enforce all or any of the Security nor shall the Lender be obligated to collect or cause to be collected any amounts owing in respect of any of the Security.

26. No Merger

Nothing in this Agreement, in any of the Security given hereunder or which may be acquired by the Lender with respect to this Agreement, and no act or omission by the Lender with respect to any Loan Document shall in any way prejudice the rights, remedies or powers of the Lender against the Loan Parties with respect to the indebtedness, or any Security now or hereafter held by the Lender. The Security held by the Lender shall not operate by way of merger of any portion of the indebtedness of a Loan Party to the Lender hereunder or under any deed, guarantee, contract, draft, bill of exchange, promissory note or other negotiable instrument, or otherwise howsoever, by which the same may now or at any time hereafter arise

or be represented or evidenced, and no judgment recovered by the Lender shall merge or in any way affect any of the Security or the Lender's right to interest thereon.

27. Right of Application

The Lender may from time to time apply and re-apply (and notwithstanding any previous application) in such manner as it, in its sole discretion sees fit, any monies received by it from a Loan Party or from collections, sales, or realizations of, on or under any Security, after first deducting the charges therefore or any expenses thereof, including costs as between a solicitor and his client, in or toward payment of any portion of the Indebtedness; and any such monies may be held by the Lender unappropriated in a collateral account for such time as the Lender sees fit; and the Loan Parties shall have no right to make or require any appropriation inconsistent with any such application by the Lender; and the taking of a judgment or judgments or any other action or dealing whatsoever by the Lender in respect of any Security given or to be given by the Loan Parties shall not operate as a merger of any other Security given to the Lender or any part thereof, or in any way suspend payment or affect or prejudice the rights, remedies and powers, legal or equitable, which the Lender may have in connection with such Security or the Indebtedness; and the foreclosure, surrender, cancellation, variation or any other dealing with or modification of any Security for such Indebtedness shall not release or affect the liability of a Loan Party for its total Indebtedness or release or affect any other part of the Security held by the Lender.

28. Termination

This Agreement shall continue in full force and effect, notwithstanding that there may be at any time and from time to time no Indebtedness owing, until terminated by the Lender, but this Agreement may be terminated by the Borrower upon written notice delivered to the Lender at any time when there is no Indebtedness or other obligation outstanding to the Lender. Upon termination of this Agreement, the Loan Parties shall be entitled to discharges of all Security then held by the Lender hereunder provided that the cost of preparing, executing, delivering and, if necessary, registering such discharges shall be paid by the Loan Parties, including fees as between a solicitor and his client, provided such expense is permitted by Applicable Law.

29. Taxes

The following shall apply as to taxes payable:

- (a) any and all payments by or on account of any obligation of a Loan Party hereunder shall be made free and clear of and without deduction for any taxes; provided that if a Loan Party shall be required to deduct any taxes from such payments, then (i) the sum payable shall be increased as necessary so that, after making all required deductions (including deductions applicable to additional sums payable under this Section), the Lender receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Loan Party shall make such deductions and (iii) the Loan Party shall pay the full amount deducted to the relevant Governmental Authority in accordance with Applicable Law.
- (b) in addition, each Loan Party shall pay any such taxes to the relevant Governmental Authority in accordance with Applicable Law.
- (c) each Loan Party shall indemnify the Lender, within 10 days after written demand therefor, for the full amount of any such taxes paid by the Lender, and any

penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to a Loan Party by the Lender, shall be *prima facie* evidence absent manifest error.

- (d) if requested by the Lender from time to time, each Loan Party shall deliver to the Lender the original or a certified copy of a receipt issued by the applicable Governmental Authority, a copy of the return reporting payment, or such other evidence reasonably satisfactory to the Lender evidencing payment of taxes by the Loan Party.

30. Incorporate Terms

The terms of the Security form a part of this Agreement as if the terms thereof were expressly and specifically set forth or stated herein.

31. Conflict

In the event of any conflict between the terms of this Agreement and the terms of any Security (or for any inconsistency between this Agreement where it is more persuasive or less restrictive than the Security), the provisions of this Agreement shall prevail to the extent necessary to remove such conflict; provided however, that a conflict or inconsistency shall not be deemed to exist only by reason of one of the Agreement or the Security not providing for such matter.

32. Notices

Any notice required to be given hereunder by any party shall be deemed to have been well and sufficiently given if:

- (a) personally delivered to the party to whom it is intended or if such party is a corporation to an officer of that corporation; or
- (b) mailed by prepaid registered mail, transmitted by facsimile or delivered, to the address or facsimile number of the party to whom it is intended as follows:
- (i) if to the Loan Parties, then:

JMB Crushing Systems Inc.
c/o Resource Land Holdings, LLC
1400 16th Street, Suite 320
Denver, CO 80202

Attention: Byron Levkulich

Email: byron.levkulich@rlholdings.com

with a copy (which does not constitute notice) to:

Blake, Cassels & Graydon LLP
3500 East Tower, Bankers Hall
855 – 2nd Street SW
Calgary, Alberta T2P 4J8

Attention: Dan McLeod
 Facsimile: (403) 260-9700
 Email: daniel.mcleod@blakes.com

(ii) if to the Lender, then:

Fiera Private Debt
 20 Adelaide Street East, Suite 1500,
 Toronto, Ontario M5C 2T6

Attention: Stephen Zagrodny, Director, Corporate & Infrastructure Debt
 Financing

E-mail: szagrodny@fieracapital.com

or to such other address or number as a party may from time to time direct in writing.

Any notice delivered before 4:30 p.m. local time on a day that is not a Saturday, Sunday or statutory holiday in Alberta (a "**Business Day**") shall be deemed to have been received on the date of delivery and any notice delivered after 4:30 p.m. local time on a Business Day or delivered on a day other than a Business Day, shall be deemed to have been received on the next Business Day. Any notice mailed shall be deemed to have been received seventy two (72) hours after the date it is postmarked. Any notice sent by e-mail before 4:30 p.m. local time on a Business Day shall be deemed to have been received when the sender receives the answer back confirming receipt by the recipient; provided, however, that any e-mail received after 4:30 p.m. local time on a Business Day or received on a day other than a Business Day shall be deemed to have been received on the next Business Day. If normal mail or communications service is interrupted by strike, slow-down, force majeure or other cause after the notice has been sent the notice will not be deemed to have been received until actually received. In the event normal mail service is impaired at the time of sending the notice, then personal delivery or facsimile transmission only shall be effective.

33. Headings

The headings in this Agreement have been inserted for reference and as a matter of convenience only and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision hereof.

34. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta.

35. Additional Agreements

The Security contains covenants, representations, warranties and events of default to which the Loan Parties shall be bound, in addition to any covenants, representations, warranties and events of default herein contained;

36. Review

The Lender may conduct periodic reviews of the affairs of the Loan Parties, as and when determined by the Lender for the purpose of evaluating the financial condition of the Loan

Parties. Each Loan Party shall make available to the Lender such financial statements and other information and documentation as the Lender may reasonably require and shall do all things reasonably necessary to facilitate such review.

37. Schedules

The Schedules attached hereto are incorporated into this Agreement by reference

38. Time of Essence

Time shall be of the essence of this Agreement and of every part hereof.

39. Payment of Monies

The parties acknowledge and agree that any payment of monies required to be made hereunder shall be made in Canadian funds and that any tender of monies or documents hereunder may be made upon the solicitors acting for the party upon whom the tender is desired and it shall be sufficient that a negotiable bank draft is tendered instead of cash.

40. Due Date Extended

The parties acknowledge and agree that if any date for payment of monies hereunder or fulfillment of any obligation hereunder shall fall on a day that is not a Business Day such date for the payment of such monies or fulfillment of such obligation hereunder shall be deemed postponed and extended to the next following Business Day.

41. Unenforceable Terms

If any term, covenant or condition of this Agreement or the application thereof to any party or circumstance shall be invalid or unenforceable to any extent the remainder of this Agreement or application of such term, covenant or condition to a party or circumstance other than those to which it is held invalid or unenforceable shall not be affected thereby and each remaining term, covenant or condition of this Agreement shall be valid and shall be enforceable to the fullest extent permitted by law.

42. Survival of Representations and Warranties

The representations and warranties contained herein or made pursuant to this Agreement and all other security documents shall survive until the termination of this Agreement.

43. Joint and Several

Where more than one person is liable as Borrower for any obligation under this Agreement, the liability of each person for such obligation is joint and several with each other such person.

44. Amendments

This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto.

45. Entire Agreement

This Agreement and all attachments hereto, the security and any other written agreement delivered pursuant to or referred to in this Agreement constitute the entire agreement among the parties with respect to the subject matter set forth herein or therein and supersede all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter thereof.

46. Counterparts

This Agreement may be executed by one or more of the parties hereto on any number of separate counterparts and all of said counterparts taken together shall be deemed to constitute one and the same agreement and shall become effective when all counterparts have been signed by each of the parties and delivered to the other parties, it being understood that all parties need not sign the same counterpart.

47. No Waiver

No consent or waiver, express or implied, by the Lender to or of any breach or default by the Borrower in the performance by the Borrower of its obligations hereunder or under any Security shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance of obligations hereunder by the Borrower. Failure by the Lender to complain of any act or failure to act of the Borrower or to declare the Borrower in default, irrespective of how long such failure continues, shall not constitute a waiver by the Lender of its rights hereunder.

48. Assignment

This Agreement may be assigned by the Lender prior to the occurrence of an Event of Default with the prior written consent of the Borrower and after the occurrence of an Event of Default without consent, in which event the Borrower shall attorn in all respects to such assignment and the assignee thereof. No Borrower may assign this Agreement without the consent of the Lender.

49. Singular, Plural and Gender

Wherever the singular, plural, masculine, feminine or neuter is used throughout this Agreement the same shall be construed as meaning the singular, plural, masculine, feminine, neuter, body politic or body corporate where the fact or context so requires and the provisions hereof and all covenants herein shall be construed to be joint and several when applicable to more than one party.

50. Enurement

This Agreement shall enure to the benefit of and be binding upon the parties hereto and the successors and permitted assigns of the Borrower and the successors and assigns of the Lender.

[SIGNATURES FOLLOW ON NEXT PAGE]



IN WITNESS WHEREOF the parties have executed the within Agreement on the day and year first above written.

FIERA PRIVATE DEBT FUND VI LP by its
general partner FIERA PRIVATE DEBT
FUND GP INC.

Per: 

Name: Sean Pisarski

Title: A.S.O.

Per: 

Name: P.S. Robson

Title: A.S.O.

JMB CRUSHING SYSTEMS INC.

Per: _____

Name: _____

Title: _____

Per: _____

Name: _____

Title: _____

EASTSIDE ROCK PRODUCTS, INC.

Per: _____

Name: _____

Title: _____

Per: _____

Name: _____

Title: _____



IN WITNESS WHEREOF the parties have executed the within Agreement on the day and year first above written.

FIERA PRIVATE DEBT FUND VI LP by its
general partner FIERA PRIVATE DEBT
FUND GP INC.

Per: _____

Name:

Title:

Per: _____

Name:

Title:

JMB CRUSHING SYSTEMS INC.

Per: 

Name: JEFF RIFE

Title: CFO

Per: _____

Name:

Title:

EASTSIDE ROCK PRODUCTS, INC.

Per: 

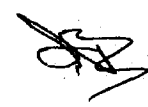
Name: JEFF RIFE

Title: CFO

Per: _____

Name:

Title:



2161889 ALBERTA LTD.

Per: 

Name: JEFF BIKS

Title: CFO

Per: _____

Name:

Title:



**SCHEDULE A
PERMITTED ENCUMBRANCES**

The registrations listed in the attached personal property search results and including the following:

- (a) liens for taxes, assessments or governmental charges not at the time due or delinquent or, if due or delinquent, the validity of which is being contested in good faith by appropriate proceedings;
- (b) deemed liens and trusts arising by operation of law in connection with workers' compensation, employment insurance and other social security legislation, in each case, which secure obligations not at the time due or delinquent or, if due or delinquent, the validity of which is being contested in good faith and by appropriate proceedings;
- (c) easements, rights of way, servitudes or other similar rights in land (including, without in any way limiting the generality of the foregoing, rights of way and servitudes for railways, sewers, drains, gas and oil and other pipelines, gas and water mains, electric light and power and telecommunication, telephone or telegraph or cable television conduits, poles, wires and cables) granted to or reserved or taken by other persons which individually or in the aggregate do not materially detract from the value of the land concerned or materially impair its use in the operation of the business of the Borrower;
- (d) any builder's, mechanic's, garageman's, labourer's or materialman's lien or other similar lien arising in the ordinary course of business or out of the construction or improvement of any land or arising out of the furnishing of materials or supplies, provided that such lien secures monies not at the time overdue, or, if due or delinquent, the validity of which is being contested in good faith by appropriate proceedings;
- (e) Encumbrances incidental to the conduct of business or the ownership of property and assets not incurred in connection with the borrowing of money or obtaining credit and which do not, in the aggregate, detract in any material way from the value or usefulness of the property and assets of the Borrower;
- (f) any claim or Encumbrance from time to time consented to by the Lender;
- (g) in respect of any land, any defects or irregularities in the title to such land which are of a minor nature and which, in the aggregate, will not materially impair the use of such land for the purposes for which such land is held;
- (h) security given by the Borrower to a public utility or any municipality or governmental or other public authority when required by such utility or municipality or other authority in connection with the operations of the Borrower, all in the ordinary course of its business which individually or in the aggregate do not materially detract from the value of the asset concerned or materially impair its use in the operation of the business of the Borrower;
- (i) the reservation in any original grants from the Crown of any land or interests therein and statutory exceptions and reservations to title;
- (j) security interests securing a purchase money obligation, provided that (i) such security interests shall attach only to the property acquired in connection with which such purchase money obligation was incurred and (ii) such purchase money obligation is not prohibited pursuant to 1(w);



- (k) landlords' liens or any other rights of distress reserved in or exercisable under any lease of real property for rent and for compliance with the terms of such lease; provided that such lien does not attach generally to all or substantially all of the undertaking, assets and property of the Borrower;
- (l) deposits to secure performance of (i) bids, tenders, contracts (other than contracts for the payment of money) or (ii) leases of real property entered into in the ordinary course of business, in each case, to which the Borrower is a party;
- (m) the security granted to the Operating Lender in respect of the Operating Facility; and
- (n) the Affiliated Loan Security.

**SCHEDULE B
COMPLIANCE CERTIFICATE**

FIERA PRIVATE DEBT FUND VI LP
70 University Avenue
Suite 1200
Toronto, Ontario
M5J 2M4
Facsimile: 416-

This Compliance Certificate is provided pursuant to the loan agreement made effective the [●] day of [●], 2019 (as the same may be amended, restated, modified, supplemented or replaced from time to time, the "Loan Agreement") between **JMB CRUSHING SYSTEMS INC.**, as Borrower (the "Borrower"), **EASTSIDE ROCK PRODUCTS, INC.**, as Guarantor, **2161889 ALBERTA LTD.**, as Guarantor and **FIERA PRIVATE DEBT FUND VI LP**, by its general partner **FIERA PRIVATE DEBT FUND GP INC.**, as lender (the "Lender"). All terms and expressions used herein but not otherwise defined shall have the same meanings herein as are ascribed thereto in the Loan Agreement.

The Borrower represents and warrants as follows:

1. this Compliance Certificate is a true, correct and complete statement of, and that the information contained herein is true, correct and complete in all material respects, and that the amounts reflected herein are in compliance with the provisions of the Loan Agreement;
2. no Event of Default has occurred or is continuing; and
3. all representations and warranties contained in the Loan Agreement and the Security (other than any representations or warranties made as of a specific date) are true and correct in all material respects.

The Borrower hereby certifies that as follows:

- (a) for the time period _____, the ratio of Total Funded Debt to EBITDA was _____ to 1;
- (b) for the time period _____, the ratio of Debt Service Coverage was _____ to 1; and
- (c) for the time period _____, the Current Ratio was _____ to 1.

The calculations of the ratios set out above are attached as Exhibit I to this Compliance Certificate.

[SIGNATURES FOLLOW ON NEXT PAGE]



DATED this _____ day of _____.

JMB CRUSHING SYSTEMS INC.

Per: _____
Name:
Title:

Per: _____
Name:
Title:

EASTSIDE ROCK PRODUCTS, INC.

Per: _____
Name:
Title:

Per: _____
Name:
Title:

2161889 ALBERTA LTD.

Per: _____
Name:
Title:

Per: _____
Name:
Title:



**EXHIBIT I TO COMPLIANCE CERTIFICATE
CALCULATION OF FINANCIAL COVENANT RATIOS**

[See attached]



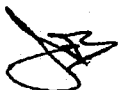
**SCHEDULE C
SHARE CAPITAL**

Shareholder	Number and Class of Shares
Canadian Aggregate Resources Corp.	17,454.49 Class A
JBuck and Sons Inc.	2,452.49 Class B



**SCHEDULE D
TERM SHEET**

[See attached]



**SCHEDULE E
AMORTIZATION AND PAYMENT SCHEDULE OF THE LOAN**

[See attached]



**SCHEDULE F
REQUEST FOR FUNDS**

TO: FIERA PRIVATE DEBT FUND VI LP
70 University Avenue, Suite 1200
Toronto, Ontario, M5J 2M4

Attention: Stephen Zagrodny

We refer to the loan agreement made effective the [●] day of [●], 2019 (as the same may be amended, restated, modified, supplemented or replaced from time to time, the "Loan Agreement") between JMB CRUSHING SYSTEMS INC., as Borrower (the "Borrower"), EASTSIDE ROCK PRODUCTS, INC., as Guarantor, 2161889 ALBERTA LTD., as Guarantor and FIERA PRIVATE DEBT FUND VI LP, by its general partner FIERA PRIVATE DEBT FUND GP INC., as lender (the "Lender"). All terms and expressions used herein but not otherwise defined shall have the same meanings herein as are ascribed thereto in the Loan Agreement.

1. The Borrower hereby irrevocably requests that an advance be made on _____, 20____ (the "Date of Advance") in the principal amount of \$_____ (the "Advance") on the terms and subject to the conditions set forth in the Loan Agreement (the "Conditions Precedent").
2. The Borrower hereby confirms as follows:
 - (a) the representations and warranties set forth in the Loan Agreement are true and correct on, and as of, the date hereof (other than any representations or warranties made as of a specific date);
 - (b) no Event of Default has occurred and is continuing on the date hereof, nor shall an Event of Default occur as a result of making the Advance under the Loan Agreement;
 - (c) after reasonable inquiry, the Borrower has no reason to believe that it will not be in compliance with the covenants contained in the Loan Agreement at the Date of Advance;
 - (d) the Borrower will immediately notify the Lender if it becomes aware of the occurrence of any event which would cause the above statements (a), (b) and (c) to be untrue or incorrect if made on the Date of Advance;
 - (e) the acceptance of this request by the Lender is not an acknowledgment that Conditions Precedent to the Advance have been satisfied;
 - (f) all Conditions Precedent to Advance must be satisfied before such Advance is made;
 - (g) if Conditions Precedent to Advance are not satisfied on the on the Date of Advance, the Borrower will be responsible to compensate the Lender for their cost of having funds available to make an Advance by paying, on demand from time to time, a fee equal to the Interest Rate calculated as if the Advance had been made on the Date of Advance, less such amount as the Lender customarily offers on comparable short-term deposits or is able to recover from short-term investment of the funds; and

- (h) if the Borrower has not satisfied all Conditions Precedent and requested that the Advance be made on or before on the Date of Advance, the Lender will have no further commitment to make the Advance and the Borrower will be responsible for immediate payment to the Lender of:
 - (i) the amount calculated in accordance with item 2(h) above from the Date of Advance to _____, 20____; and
 - (ii) all legal, insurance advisory and other fees and expenses incurred by the Lender.
- (i) in the event that the Borrower has requested the Advance, but fails, neglects or refuses to complete the transactions contemplated by the Loan Agreement, due to a reason within the control of the Borrower which could be avoided using reasonable efforts, the Borrower will be responsible for immediate payment to the Lender of amounts equal to the Interest Rate Differential that would have been payable had the Advance been advanced on the Date of Advance and paid on that same day.

[SIGNATURES FOLLOW ON NEXT PAGE]



DATED this _____ day of _____

JMB CRUSHING SYSTEMS INC.

Per: _____
Name:
Title:

Per: _____
Name:
Title:

EASTSIDE ROCK PRODUCTS, INC.

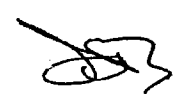
Per: _____
Name:
Title:

Per: _____
Name:
Title:

2161889 ALBERTA LTD.

Per: _____
Name:
Title:

Per: _____
Name:
Title:



**SCHEDULE G
MATERIAL AGREEMENTS**

JMB Crushing Systems Inc.	
Royalty Agreements	Legal Land Description
Hoye/Kucy Pit	SE 19-63-9-W4M
Havener Pit	NW 16-56-7-W4M
Kwiatkowski Pit	NE 18-63-9-W4M
Megley II Pit	SW 36, NW 25-58-16-W4M
Joe VanDerVoort Pit	SE 6-63-8-W4M
Buksa Pit	NE 24-56-7-W4M
O'Kane Pit	NE 10-57-6-W4M
MacDonald Pit	E 1/2 of SE 34-56-7-W4M
Shankowski Pit	SW 21-56-7-W4
Raging River Quarry	32715 Carmichael Road Fall City, WA
Oberg Pit	NE 4 62 7 W4M
Crow Lake Pit	SW 01-79-14-W4
Kalinko Pits	NE 11-63-8 W4M NW-18-62-7 W4M SW-19-62-7 W4M NE-13-62-8 W4M NW-28-66-4 W4M SW-28-66-4 W4M NE-20-66-4 W4M SW-34-66-4 W4M NW-21-66-4 W4M SW-16-66-4 W4M NE-9-66-4 W4M

NE-12-62-8 W4M
SE-7-62-7 W4M
SW-7-62-7 W4M
NW-12-62-8 W4M

SE-9-62-7 W4M

NE-21-66-5 W4M
NW-22-66-5 W4M
NW-21-66-5 W4M
SW-28-66-5 W4M

NW-35-65-3 W4M
SW-2-66-3 W4M
NE-34-65-3 W4M
SE-34-65-3 W4M

NW-34-65-3 W4M
NE-33-65-3 W4M
SW-10-66-3 W4M

NW-7-63-8 W4M
SW-7-63-8 W4M
NE-7-63-8 W4M
SE-7-63-8 W4M

NW-14-82-7 W4M
NE-14-82-7 W4M

SW-1-84-6 W4M
NE-2-84-6 W4M
NW-1-84-6 W4M
SE-2-84-6 W4M

NE-8-82-7 W4M
SE-9-82-7 W4M
SW-9-82-7 W4M
NW-9-82-7 W4M
NE-9-82-7 W4M

SE-19-62-7 W4M
NW-18-62-7 W4M
SW-19-62-7 W4M
SW-24-75-8 W4M
NW-13-75-8 W4M

NE-20-66-4 W4M
SW-16-66-4 W4M
SE-16-66-4 W4M
NW-9-66-4 W4M
NE-9-66-4 W4M



	SE-9-82-7 W4M NE-9-82-7 W4M
	SE-3-82-7 W4M NE-3-82-7 W4M
	SW-13-75-8 W4M NW-12-75-8 W4M SE-14-75-8 W4M
	NW-35-76-23 W4M SW-35-76-23 W4M NE-27-76-23 W4M SE-34-76-23 W4M NE-34-76-23 W4M NW-26-76-23 W4
	NW-15-73-13 W4M NE-15-73-13 W4M SE-22-73-13 W4M
	NE-32-72-13 W4M SE-32-72-13 W4M
	SE-6-83-6 W4M SW-6-83-6 W4M
	NW-27-64-6 W4M SE-27-64-6 W4M NE-27-64-6 W4M
	NW-15-66-3 W4M NE-15-66-3 W4M SE-15-66-3 W4M SW-15-66-3 W4M
	NW-9-63-3 W4M NE-8-63-3 W4M SE-17-63-3 W4M

SCHEDULE H LANDS

Lease Holder	Public / Private	Pit Registration or SML number	Pit Name	Legal Location
JMB	Private	306490-00-00	Kucy	NW 17, NE 18, SE 19-63-9-W4
JMB	Private	17395-01-00	Havener	NW 16-56-7-W4
JMB	Private	308161-00-00	Shankowski	SW 21-56-07-W4
JMB	Private	15048-03-02	Buksa	NE 24-56-07-W4
JMB	Private	In progress	JMB	NE 35-56-6-W4
JMB	Private	149949-00-00	Megley	SE 35-58-16-W4
JMB	Private	263318-00-00	Okane	NE 10-57-6-W4
JMB	Private	293051-00-00	MacDonald	SE 34-56-7-W4
JMB	Public	SML 120027		SW-30-63-8 W4M
JMB	Public	SML 930040		
JMB	Public	SML 980116		SW-21-63-12 W4M
JMB	Public	SML 060060	Pit 60	SW 13-65-18-W4
JMB	Public	SML 080085		NW 12, SW 13- 63-19-W4
JMB	Public	SML 100085		NW & NE 12-63- 19-W4
JMB	Public	SML 110025		NE 11-61-18-W4
JMB	Public	SML 110026		SE 11-61-18-W4
JMB	Public	SML 110045	Pit 45	SE & NE 15-61- 18-W4
JMB	Public	SML 110046	Pit 46	NE & NW 15-61- 18-W4



JMB	Public	SML 110047	Pit 47	NW 15-61-18-W4 SW-15-61-18 W4M SE-15-61-18 W4M
JMB	Public	SML 120005	Pit 5	NW & SW 14-61- 18-W4
JMB	Public	SML 120006		NW 14-61-18-W4
JMB	Public	SML 120100		SE 21-61-18-W4



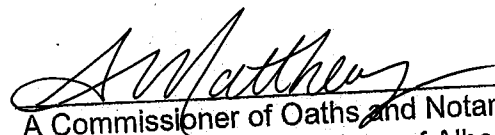
**SCHEDULE I
OWNERSHIP STRUCTURE**

Name	Jurisdiction Incorporation/ Formation	Holder of Equity Interest	Province of Chief Executive Office	Relevant Jurisdictions
JMB Crushing Systems Inc.	British Columbia	Canadian Aggregate Resources Corp. JBuck and Sons Inc.	Alberta	Alberta British Columbia Washington
Eastside Rock Products Inc.	Washington	JMB Crushing Systems Inc.	Alberta	Alberta British Columbia Washington
2161889 Alberta Ltd.	Alberta	JMB Crushing Systems Inc.	Alberta	Alberta

[NTD: Blake's to confirm]



THIS IS EXHIBIT "K" REFERRED TO IN
THE AFFIDAVIT OF JEFF BUCK
SWORN BEFORE ME
THIS 16 DAY OF APRIL, 2020


A Commissioner of Oaths and Notary Public
in and for the Province of Alberta

Alex Matthews
Barrister & Solicitor



**PROMISSORY NOTE
JMB CRUSHING SYSTEMS INC.**

\$700,000.00 (Cdn.)

Edmonton, Alberta
March 20, 2020

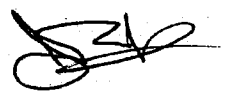
For value received, **JMB Crushing Systems Inc.** (the "Issuer") hereby promises to pay to the order of **CANADIAN AGGREGATE RESOURCE CORPORATION** (the "Noteholder") the sum of SEVEN HUNDRED THOUSAND DOLLARS (\$700,000.00) (the principal amount outstanding from time to time under this Note being the "Principal"), in the lawful currency of Canada, together with interest thereon from the Issue Date at the rates stipulated in Section 2.1.

1. INTERPRETATION

1.1 Definitions

As used in this Promissory Note, the following terms shall have the following meanings:

- (a) "**Business Day**" means any day excluding a Saturday, Sunday or statutory holiday in the Province of Alberta.
- (b) "**Collateral**" has the meaning given to that term in Section 3.1.
- (c) "**Issuer**" has the meaning given to that term in introductory paragraph of this Note.
- (d) "**days**" when used herein shall mean calendar days.
- (e) "**Early Repayment**" has the meaning given to that term in Section 2.4.
- (f) "**Early Repayment Amount**" has the meaning given to that term in Section 2.4.
- (g) "**Early Repayment Date**" has the meaning given to that term in Section 2.5.
- (h) "**Early Repayment Notice**" has the meaning given to that term in Section 2.5.
- (i) "**Eastside**" is defined in Section 3.1(a).
- (j) "**Event of Default**" has the meaning given to that term in Section 4.1.
- (k) "**Guarantee**" is defined in Section 3.1(a).
- (l) "**Guarantors**" is defined in Section 3.1(a).
- (m) "**Insolvency Laws**" means any applicable law, domestic or foreign, as now or hereafter in effect, relating to bankruptcy, insolvency, liquidation,



receivership, reorganization, or arrangement or composition, extension or adjustment of debts, or similar laws affecting the rights of creditors.

- (n) **"Interest Payment Date"** means: (i) at any time other than the Maturity Date, the fifth (5th) Business Day after the last day of each month, provided that if there is an Early Repayment of the Note, the Interest Payment Date shall be on the fifth (5th) Business Day after the Early Repayment Date; and (ii) the fifth (5th) Business Day after the Maturity Date.
- (o) **"Issue Date"** means the date as of which this Note is issued.
- (p) **"Maturity Date"** means the first anniversary of March 1, 2020 or the date on which the Noteholder declares the Principal and all other outstanding Note Obligations due and payable under Section 4.2.
- (q) **"Note"** means this promissory note together with any and all renewals, modifications, amendments, restatements, substitutions, replacements, extensions and supplements hereof.
- (r) **"Note Documents"** means this Note, the Security Agreement and the Subordination Agreement.
- (s) **"Note Obligations"** means, at any particular time, all of the then indebtedness, liabilities and obligations, absolute or contingent, direct or indirect, matured or unmatured, liquidated or unliquidated, of the Issuer to the Noteholder under this Note and any other Note Document, including without limitation the outstanding Principal and any premium and/or interest (including default interest) accruing hereunder, and all costs, charges and expenses provided for under Section 5.10.
- (t) **"Noteholder"** has the meaning given to that term in the introductory paragraph of this Note.
- (u) **"Principal"** has the meaning given to that term in the introductory paragraph of this Note.
- (v) **"Security Agreement"** is defined in Section 3.1(b).
- (w) **"Security Interest"** is defined in Section 3.1(b).
- (x) **"Senior Indebtedness"** all of the indebtedness, liabilities and obligations, present or future, direct, indirect or contingent, owed by the Issuer to a Senior Lender.
- (y) **"Senior Lenders"** means collectively, (i) ATB Financial, (ii) Fiera Private Debt Fund VI LP, by its general partner Integrated Private Debt Fund GP Inc. ("**Fund VI**"), and (iii) Fiera Private Debt Fund V LP, by its general partner Integrated Private Debt Fund GP Inc., acting in its capacity as collateral agent for and on behalf of and for the benefit of Fund VI, and **"Senior Lender"** means any one of the Senior Lenders.

- (z) **"Senior Loan Documents"** means any agreements between the Issuer and a Senior Lender governing the Senior Indebtedness.
- (aa) **"Senior Security"** any mortgage, charge or security interest granted by the Issuer, Eastside or 216 to a Senior Lender.
- (bb) **"Subordination Agreement"** is defined in Section 3.1(e).
- (cc) **"216"** is defined in Section 3.1(a).

1.2 Singular or Plural Forms

All terms used herein, whether or not defined in this Section 1.1, and whether used in singular or plural form, shall be deemed to refer to the object of such term whether such is singular or plural in nature, as the context may suggest or require.

2. PAYMENT TERMS

2.1 Payment Terms

This Note is due and payable as follows:

- (a) The Principal shall be due and payable on the Maturity Date, provided that no payments of Principal shall be made without the consent of the Senior Lenders if the Senior Indebtedness remains outstanding.
- (b) Interest shall be payable on the Principal at an annual rate equal to 10% per annum (subject to Subsection 2.1(d) and Section 2.4) (after as well as before any Event of Default, Maturity Date or judgment) and shall be calculated and compounded monthly, not in advance, on the last day of each month, on the Principal (provided that with respect to the first Interest Payment Date, interest shall be calculated and compounded on such date based on the actual number of days from and including the date on which the Principal was advanced by the Noteholder to the Issuer to and including the Maturity Date, interest shall be calculated and compounded on such date based on the actual number of days between the last day of the month prior to the Maturity Date and the Maturity Date), and payable in arrears on each Interest Payment Date, provided that in the event that there is any default or event of default under the Senior Loan Documents, the payment of such interest shall be deferred until such default or event of default is cured or the Senior Indebtedness is repaid in full.
- (c) Any Note Obligations other than Principal which are not paid when due shall be added to and compounded with the Principal in computing interest payable under this Note.
- (d) Subject to Subsection 2.1 **Error! Reference source not found.**, for so long as any Event of Default exists under this Note, regardless of whether or not there has been an acceleration of the Principal or other Note Obligations, and in addition to all other rights and remedies of Noteholder

hereunder, Interest shall accrue on the outstanding Principal and any other outstanding Note Obligations at the rate of 12% per annum, calculated and compounded monthly (both before and after any Event of Default, Maturity Date or judgment), and such accrued interest shall be immediately due and payable.

2.2 Application

Except as expressly provided herein to the contrary, all payments on this Note shall be applied in the following order of priority: (i) first, the payment or reimbursement of any expenses, costs or obligations (other than the outstanding principal balance hereof and interest hereon) payable by the Issuer pursuant to this Note or the other Note Documents, (ii) second, the payment of accrued but unpaid interest hereunder, and (iii) third, the payment of all or any portion of the outstanding Principal. If an Event of Default exists under this Note, then the Noteholder may, at the sole option of the Noteholder, apply any such payments, at any time and from time to time, to any of the items specified in clauses (i), (ii) or (iii) above without regard to the order of priority otherwise specified in this Section 2.2.

2.3 Payments

All payments under this Note shall be in immediately available funds denominated in Canadian currency and shall be by cheque or bank draft delivered to the Noteholder's address under Section 5.8 or such other place as the Noteholder gives written notice of from time to time no later than fifteen (15) days before the scheduled date of such payment) or by wire transfer in accordance with wire transfer instructions provided by the Noteholder to the Issuer in writing. Payments in immediately available funds received by the Noteholder at the place designated for payment on a Business Day at or prior to 2:00 p.m. (Mountain Time) shall be credited prior to the close of business on the Business Day received, while payments received by Noteholder on a day other than a Business Day or after 2:00 p.m. (Mountain Time) on a Business day shall not be credited until the next succeeding Business Day. If any payment of Principal or interest shall become due and payable on a day other than a Business Day, such payment shall be made on the succeeding Business Day. Any extension of time for payment shall be included in computing interest which has accrued and shall be payable in connection with such payment.

2.4 Early Repayment

At any time prior to the Maturity Date, provided that the Senior Lenders consent or the Senior Indebtedness has been repaid in full, the Issuer shall be permitted to repay the outstanding Note Obligations in full or in part without premium or penalty (any such repayment being an "Early Repayment", and the aggregate amount payable to a Noteholder upon such Early Repayment being the "Early Repayment Amount", which shall include the outstanding Principal and all other outstanding Note Obligations).

2.5 Early Repayment Notice

Notice of the Early Repayment (the "Early Repayment Notice") shall be given to the Noteholders not less than two (2) days prior to the date fixed for the Early Repayment (the "Early Repayment Date").

2.6 Unconditional Payment

The Issuer is and shall be obligated to pay all Principal, interest and any and all other amounts which become payable under this Note or under any of the other Note Documents absolutely and unconditionally and without any abatement, postponement, diminution or deduction whatsoever and without any reduction for counterclaim or setoff whatsoever. If at any time payment received by the Noteholder hereunder shall be deemed by a Court of competent jurisdiction to have been a voidable preference, fraudulent conveyance or transfer at undervalue under any Insolvency Law, then the obligation to make such payment shall survive any cancellation or satisfaction of this Note or return of this Note to the Issuer and shall not be discharged or satisfied with any prior payment thereof or cancellation of this Note, but shall remain a valid and binding obligation enforceable in accordance with the terms and provisions hereof, and such payment shall be immediately due and payable upon demand.

2.7 Partial or Incomplete Payments

The acceptance by the Noteholder of any payment in an amount less than the full amount then due shall be deemed an acceptance on account only, and the failure to pay the entire amount then due shall be and continue to be an Event of Default in the payment of this Note.

2.8 Computation Period

Interest on the indebtedness evidenced by this Note shall be computed on the basis of a three hundred sixty five (365) day year and shall accrue on the actual number of days elapsed for any whole or partial month in which interest is being computed. In computing the number of days during which interest accrues, the days on which funds are initially advanced shall be included regardless of the time of day such advance is made, and the day on which funds are repaid shall be included unless repayment is credited prior to the close of business on the Business Day received as provided in Section 2.3. Where a rate of interest hereunder is calculated on the basis of a year (a "calculation year") which contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest shall be expressed as a yearly rate for the purposes of the *Interest Act* (Canada) by multiplying such rate of interest by the actual number of days in a calendar year of calculation and dividing it by the number of days in the calculation year.

3. CONDITIONS PRECEDENT TO ADVANCE

3.1 Conditions Precedent

The advance of the Principal by the Noteholder to the Issuer shall be subject to the satisfaction of the following conditions precedent, which may be waived in writing by the Noteholder in full or in part on such terms as the Noteholder may elect:

- (a) Eastside Rock Products, Inc. ("**Eastside**") and 2161889 Alberta Ltd. ("**216**", and together with Eastside, the "**Guarantors**") shall have executed and delivered to the Noteholder a guarantee agreement (the "**Guarantee**"), in form and substance satisfactory to the Noteholder,

under which the Guarantors guarantee the payment and performance of the Note Obligations;

- (b) the Issuer and the Guarantors shall have executed and delivered to the Noteholder a general security agreement (the "**Security Agreement**"), in form and substance satisfactory to the Noteholder, granting a security interest (the "**Security Interest**") in all of the present and after acquired real and personal property in which each of the Issuer and Guarantors have an interest, which Security Interest shall rank subsequent in priority to the Senior Security;
- (c) the Issuer and Guarantors shall have delivered to the Noteholder resolutions of their directors authorizing the execution and delivery of the Loan Documents;
- (d) the Security Interest shall have been registered, recorded and filed all places where such registration, recording or filing is necessary or desirable in order to give the Noteholder the benefit of the Security Agreement and the Security Interest; and
- (e) the Issuer, Eastside, 216, and the Senior Lenders shall have executed and delivered to the Noteholder a subordination agreement (the "**Subordination Agreement**") to which the Noteholder shall also be a party, in form and substance satisfactory to the Noteholder, under which the Noteholder subordinates the Security Interest created by the Security Agreement to the Senior Security.

3.2 Dealing with Loan Documents

The Noteholder may grant extensions, take and give up any Loan Documents, accept compositions, grant releases and discharges of or from the Security Interest created by the Security Agreement in whole or in part and otherwise deal with the Issuer and/or any of the Guarantors as the Noteholder may see fit, all without prejudice to the Note Obligations. The taking of the Security Agreement under this Note shall not operate by way of merger of any of the Note Obligations.

4. EVENTS OF DEFAULT AND REMEDIES

4.1 Events of Default

The occurrence or happening, at any time and from time to time, of any one or more than one of the following shall constitute an event of default under this Note (an "**Event of Default**"):

- (a) if the Issuer defaults in payment of the Principal when it becomes due under this Note; or
- (b) if the Issuer defaults in payment of any Note Obligations other than the Principal and such default continues for a period of five (5) Business Days after notice in writing has been given to the Issuer by the Noteholder specifying such default and requiring the Issuer to rectify the same; or

- (c) if the Issuer defaults in observing or performing any obligations under this Note on its part to be observed or performed (other than referred to in Subsections 4.1(a) or (b)) or under any other Note Document and, with respect to such obligations which are capable of rectification, if such default continues for a period of thirty (30) days after notice in writing has been given to the Issuer by the Noteholder specifying such default and requiring the Issuer to rectify the same, unless the Noteholder shall have agreed to a longer period and, in such event, for the period agreed to by the Noteholder; or
- (d) the institution by the Issuer of proceedings to be adjudicated a bankrupt or insolvent or the consent by it to the institution of bankruptcy or insolvency proceedings against it or the filing by it of a petition or answer or consent seeking reorganization or relief under any applicable federal, provincial or state law relating to bankruptcy, insolvency, reorganization or relief of debtors, or the consent by it to the filing of any such petition or to the appointment under any such law of a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Issuer or of substantially all of its property, or the making by it of a general assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due; or
- (e) the entry of a decree or order by a court having jurisdiction adjudging the Issuer a bankrupt or insolvent or approving as properly filed a petition seeking reorganization, arrangement or adjustment of or in respect of the Issuer under any Insolvency Law, or appointing under any such Insolvency Law a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Issuer or of substantially all of its property, or ordering pursuant to any such Insolvency Law the winding-up or liquidation of its affairs, and the continuance of any such decree or order unstayed and in effect for a period of sixty (60) consecutive days; or
- (f) proceedings are commenced for the winding-up, liquidation or dissolution of the Issuer, unless the Issuer in good faith actively and diligently contests such proceedings, decree, order or approval, resulting in a dismissal or stay thereof within sixty (60) days of commencement; or
- (g) a resolution is passed for the winding-up or liquidation of the Issuer; or
- (h) any Note Document ceases in whole or in any material part to be a legal, valid, binding and enforceable obligation of the Issuer or any security interest created by the Security Agreement ceases to be valid or perfected and the Issuer fails to cure such failure within ten (10) days of the Issuer making such claim or the Noteholder giving notice thereof to the Issuer.

4.2 Remedies

Subject to Subsection **Error! Reference source not found.** and to the terms of the Subordination Agreement, upon the occurrence and during the continuance of an Event of Default, the Noteholder shall have the immediate right, at the sole discretion of the

Noteholder and without notice, demand, presentment, notice of nonpayment or non-performance, protest or notice of protest, other than as required by applicable law:

- (a) to declare the entire unpaid balance of the Note Obligations (including, without limitation, the outstanding Principal and all accrued but unpaid interest thereon and any costs or expenses payable by the Issuer under any Note Document) immediately due and payable (and upon such declaration, the Note Obligations shall be at immediately due and payable) and to collect the Note Obligations forthwith, whether or not there has been a prior demand for payment and regardless of the stipulated date of maturity; and
- (b) to exercise any right, remedy or recourse against the Issuer or any of the Noteholder's other rights, powers, recourses, and remedies under this Note, under any other Note Document, or at law or in equity,

all of which shall be cumulative and concurrent, may be pursued separately, singly or successively, and as often as occasion therefor shall arise (it being agreed by the Issuer that the exercise, discontinuance of the exercise of or failure to exercise any of which shall in no event be construed as a waiver or release thereof or of any other right, remedy or recourse) and are nonexclusive, provided that any right, remedy or recourse against the Issuer under any Note Document in respect of any of the Note Obligations shall be limited to, and satisfied only out of the Collateral, and no execution or other process shall be issued or levied for the enforcement or collection of the Note Obligations against any other property or assets of the Issuer.

5. GENERAL PROVISIONS

5.1 No Waiver; Amendment

No amendment, discharge, modification, restatement, supplement, termination or waiver of this Note is binding unless in writing and executed by the Noteholder, and unless, in the case of an amendment, modification, restatement or supplement, the prior written consent of the Senior Lenders is obtained in accordance with the Subordination Agreement. No waiver of any provision of this Note constitutes a waiver of any other provision nor does any waiver constitute a continuing waiver unless otherwise expressly provided. No waiver by a party of any provision or of the breach of any provision of this Note shall be effective unless it is contained in a written instrument duly executed by the authorized officers or representatives of the Noteholder. Such written waiver shall affect only the matter specifically identified in the instrument granting the waiver and shall not extend to any other matter, provision or breach. The failure of the Noteholder to take any steps in exercising any right in respect of the breach or non-fulfillment of any provision of this Note shall not operate as a waiver of that right, breach or provision nor shall any single or partial exercise of any right preclude any other or future exercise of that right or the exercise of any other right, whether in law, in equity or otherwise. Acceptance of payment by the Noteholder after a breach or non-fulfillment of any provision of this Note requiring a payment by the Issuer to the Noteholder shall constitute a waiver of such provision if cured by such payment, but shall not constitute a waiver or cure of any other provision of this Note.

5.2 Further Assurances

The Issuer will execute and deliver any further agreements and documents and provide any further assurances, undertakings and information as may be reasonably required by the Noteholder to give effect to this Note and the other Note Documents.

5.3 Governing Law; Submission to Jurisdiction

This Note shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein. Each of the parties hereto irrevocably and unconditionally submits and attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta to determine all issues, whether at law or in equity, arising from this Note. To the extent permitted by applicable law, each of the parties:

- (a) irrevocably waives any objection, including any claim of inconvenient forum, that it may now or in the future have to the venue of any legal proceeding arising out of or relating to this Note in the courts of the Province of Alberta, or that the subject matter of this Note may not be enforced in those courts;
- (b) irrevocably agrees not to seek, and waives any right to, judicial review by any court which may be called upon to enforce the judgment of the courts referred to in this Section 5.3, of the substantive merits of any suit, action or proceeding; and
- (c) to the extent a party has or in the future may acquire any immunity from the jurisdiction of any court or from any legal process, whether through service or notice, attachment before judgment, attachment in aid of execution, execution or otherwise, with respect to itself or its property, that party irrevocably waives that immunity in respect of its obligations under this Note.

5.4 Successors and Assigns

The term and provisions hereof shall be binding upon and inure to the benefit of the Issuer and the Noteholder and their respective successors and assigns, whether by voluntary action of the parties, by operation of law or otherwise, and all other persons claiming by, through or under them. The terms "Issuer" and "Noteholder" as used hereunder shall be deemed to include their respective successors and assigns, whether by voluntary action of the parties, by operation of law or otherwise, and all other persons claiming by, through or under them.

5.5 Assignment

The Issuer shall not assign any rights, benefits or obligations under this Note or any other Note Document without the prior written consent of the Noteholder. The Noteholder may assign its rights, benefits and obligations under this Note and the other Note Documents at any time.

5.6 Time is of the Essence

Time is of the essence with respect to all provisions of this Note and the other Note Documents.

5.7 Headings and References

The division of this Note into Sections and Subsections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Note. In this Note, words signifying the singular number include the plural and *vice versa*, and words signifying gender include all genders. References in this Note to a Section or Subsection are to be construed as references to a Section or Subsection of this Note unless otherwise specified.

5.8 Notices

Any notice or other communication must be in writing and either delivered personally or by courier, sent by prepaid registered mail or transmitted by facsimile, e-mail or functionally equivalent electronic means of transmission, charges (if any) prepaid. Any notice or other communication must be sent to the intended recipient at its address as follows:

(a) to the Issuer at:

PO Box 6977
Bonnyville, AB T9N2H4
Attention: Jeff Buck, President
Email: jeffb@jmbcrush.com

(b) to the Noteholder at:

1400 16th St, Suite 320
Denver, CO 80209
Attention: Byron Levkulich, Director
Email: byron.levkulich@rlholdings.com

or at any other address as any party may at any time advise the other by notice given or made in accordance with this Section 5.8. Any notice or other communication delivered to the party to whom it is addressed will be deemed to have been given or made and received on the day it is so delivered at that party's address, provided that if that day is not a Business Day then the notice or other communication will be deemed to have been given or made and received on the next Business Day. Any notice or other communication given or made by prepaid registered mail will be deemed to have been received on the fifth Business Day after which it is so mailed. If a strike or lockout of postal employees is then in effect, or generally known to be impending, every notice or other communication must be delivered personally or by courier or transmitted by facsimile, e-mail or functionally equivalent electronic means of transmission. Any notice or other communication transmitted by facsimile, e-mail or other functionally equivalent electronic means of transmission will be deemed to have been given or made and received on the day on which it was transmitted; but if the notice or other communication is transmitted on a day which is not a Business Day or after 4:00 pm (Mountain Time),

the notice or other communication will be deemed to have been received on the next Business Day.

5.9 Severability

Each provision of this Note is distinct and severable. If any provision of this Note, in whole or in part, is or becomes illegal, invalid, void, voidable or unenforceable in any jurisdiction by any court of competent jurisdiction, the illegality, invalidity or unenforceability of that provision, in whole or in part, will not affect the legality, validity or enforceability of the remaining provisions of this Note, in whole or in part, or the legality, validity or enforceability of that provision, in whole or in part, in any other jurisdiction.

5.10 Costs and Expenses

Upon the occurrence of any Event of Default, costs or expenses incurred by the Noteholder (including without limitation any reasonable legal costs on a full indemnity basis) suffered or incurred in exercising any rights, remedies or recourses under this Note or any other Note Document shall be paid by the Issuer forthwith on demand and shall be added to and form part of the outstanding Principal until paid in full.

5.11 Entire Agreement

This Note and the other Note Documents constitute the entire agreement between the Issuer and the Noteholder pertaining to the subject matter of this Note and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties, and there are no representations, warranties or other agreements between the parties in connection with the subject matter of this Note and the other Note Documents except as specifically set out in this Note and the other Note Documents. No party has been induced to enter into the Note Documents in reliance on, and there will be no liability assessed, either in tort or contract, with respect to, any warranty, representation, opinion, advice or assertion of fact, except to the extent it has been reduced to writing and included as a term in this Note and the other Note Documents.

5.12 Conflicts

In the event of a conflict in or between the provisions of this Note and the provisions of any of the other Note Document then, despite anything contained in such other Note Document, the provisions of this Note will prevail and the provisions of such other Note Document will be deemed to be amended to the extent necessary to eliminate such conflict. If any act or omission is expressly prohibited pursuant to a Note Document (other than this Note) but this Note does not expressly permit such act or omission, or if any act is expressly required to be performed pursuant to a Note Document (other than this Note) but this Note does not expressly relieve the Issuer from such performance, such circumstance will not constitute a conflict in or between the provisions of this Note and the provisions of such Note Document.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

IN WITNESS OF this Note, the Issuer has duly executed this Note as of the Issue Date.

JMB CRUSHING SYSTEMS INC.

By:



Name: Jeff Buck

Title: Director

CANADIAN AGGREGATES RESOURCE CORPORATION

By:

Name:

Title:



IN WITNESS OF this Note, the Issuer has duly executed this Note as of the Issue Date.

JMB CRUSHING SYSTEMS INC.

By:

Name:
Title:

CANADIAN AGGREGATES RESOURCE CORPORATION

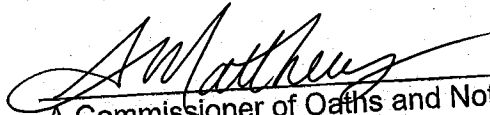
By:

Byron J Levkulich


Name: Byron J Levkulich
Title:



THIS IS EXHIBIT "L" REFERRED TO IN
THE AFFIDAVIT OF JEFF BUCK
SWORN BEFORE ME
THIS 16 DAY OF APRIL, 2020


A Commissioner of Oaths and Notary Public
in and for the Province of Alberta

Alex Matthews
Barrister & Solicitor



SUBORDINATION AND POSTPONEMENT AGREEMENT

THIS AGREEMENT is dated as of March 20, 2020

BETWEEN:

ATB FINANCIAL, FIERA PRIVATE DEBT FUND VI LP,
by its general partner **INTEGRATED PRIVATE DEBT
FUND GP INC. ("Fund VI")** and **FIERA PRIVATE DEBT
FUND V LP,** by its general partner **INTEGRATED
PRIVATE DEBT FUND GP INC.,** acting in its capacity as
collateral agent for and on behalf of and for the benefit of
Fund VI (collectively, the "**Senior Lenders**", and
individually, a "**Senior Lender**")

- and -

**CANADIAN AGGREGATE RESOURCE
CORPORATION** (the "**Subordinated Lender**")

- and -

**JMB CRUSHING SYSTEMS INC. ("JMB"), EASTSIDE
ROCK PRODUCTS, INC. and 2161889 ALBERTA LTD.**
(collectively, the "**Debtors**" and individually, a "**Debtor**")

CONTEXT:

- A. The Debtors are indebted or liable to the Senior Lenders in respect of the Senior Lender Indebtedness.
- B. The Debtors will be indebted or liable to the Subordinated Lender in respect of the Subordinated Lender Indebtedness.
- C. The Debtors have provided the Senior Lender Security in favour of the Senior Lenders as security for the Senior Lender Indebtedness.
- D. The Debtors will provide the Subordinated Lender Security in favour of the Subordinated Lender as security for the Subordinated Lender Indebtedness.
- E. The Senior Lenders have agreed to consent to the creation of the Subordinated Lender Indebtedness and the Subordinated Lender Security provided that the Subordinated Lender postpone and subordinate the Subordinated Lender Indebtedness and the Subordinated Lender Security in favour of the Senior Lenders.
- F. The Parties have entered into this Agreement to clarify their relative rights with respect to the Indebtedness and the Security.

THEFORE, the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, the following terms have the following meanings:

- 1.1.1 **"Agreement"** means this agreement, as it may be supplemented, amended or restated by written agreement between the Parties.
- 1.1.2 **"Business Day"** means any day excluding a Saturday, Sunday or statutory holiday in the Province of Alberta, and also excluding any day on which the principal chartered banks located in the City of Calgary are not open for business during normal banking hours.
- 1.1.3 **"Communication"** means any notice, demand, request, consent, approval or other communication which is required or permitted by this Agreement to be given or made by a Party.
- 1.1.4 **"Debtors"** is defined in the preamble.
- 1.1.5 **"Debtors' Property"** means all of the Debtors' present and after-acquired property, undertaking and assets, real and personal, and all proceeds of that property, undertaking and assets.
- 1.1.6 **"Default"** means any default by the Debtors in the payment or performance of any of its covenants and obligations to the Senior Lender under the Senior Lender Commitment or the Senior Lender Security, or to the Subordinated Lender under the Subordinated Lender Commitment or Subordinated Lender Security, as applicable, which continues after the end of any applicable cure period.
- 1.1.7 **"Indebtedness"** means either or both of the Senior Lender Indebtedness and the Subordinated Lender Indebtedness, and any portion of that indebtedness, as the context requires.
- 1.1.8 **"Insolvency Proceedings"** is defined in Section 3.4.1.
- 1.1.9 **"Lenders"** means the Senior Lenders and the Subordinated Lender collectively, and **"Lender"** means any one of them.
- 1.1.10 **"Loan Documents"** means collectively the Senior Lender Commitment, the Senior Lender Security, the Subordinated Lender Commitment and the Subordinated Lender Security.
- 1.1.11 **"Parties"** means the Senior Lenders, the Subordinated Lender and the Debtors, and **"Party"** means any one of them.
- 1.1.12 **"Payment Blockage Notice"** is defined in Section 3.1.2.1.
- 1.1.13 **"Payment Blockage Period"** is defined in Section 3.1.3.

- 1.1.14 **"Permitted Payments"** is defined in Section 3.1.1.
- 1.1.15 **"Person"** will be broadly interpreted and includes an individual, a corporation, a limited liability company, a partnership, a trust, a joint venture, an association, an unincorporated organization, the government of a country or any political subdivision of a country, any agency or department of any such government, a regulatory agency or any other juridical entity, and the heirs, executors, administrators or other legal representatives of an individual.
- 1.1.16 **"Preferential Payment"** is defined in Section 3.4.1.2
- 1.1.17 **"Reinstatement Notice"** is defined in Section 3.1.3.1.
- 1.1.18 **"Security"** means collectively the Senior Lender Security and the Subordinated Lender Security, and any part of that security.
- 1.1.19 **"Senior Lenders"** and **"Senior Lender"** are defined in the preamble.
- 1.1.20 **"Senior Lender Commitments"** means all of the loan agreements between JMB and each of the Senior Lenders, as they may be further amended, modified, supplemented, restated or replaced, and **"Senior Lender Commitment"** means any one of them.
- 1.1.21 **"Senior Lender Indebtedness"** means all present and future debts, liabilities and obligations of the Debtors to a Senior Lender arising under a Senior Lender Commitment or the Senior Lender Security, including all present and future debts, liabilities and obligations of the Debtors to the Senior Lender arising from any amendment to the Senior Lender Commitment.
- 1.1.22 **"Senior Lender Receiver"** is defined in Section 2.4.2.
- 1.1.23 **"Senior Lender Security"** means any lien, mortgage, charge or security interest held at any time by or for the benefit of each of the Senior Lenders with respect to any of the Debtors' Property, to the extent that it secures the payment or performance of the Senior Lender Indebtedness or any other obligations of the Debtors to a Senior Lender.
- 1.1.24 **"Subordinated Lender"** is defined in the preamble.
- 1.1.25 **"Subordinated Lender Commitment"** means the promissory note dated March 20, 2020 between the Subordinated Lender and JMB, as it may be further amended, modified, supplemented, restated or replaced.
- 1.1.26 **"Subordinated Lender Indebtedness"** means all present and future debts, liabilities and obligations of the Debtors to the Subordinated Lender arising under the Subordinated Lender Commitment or the Subordinated Lender Security, including all present and future debts, liabilities and obligations of the Debtors to the Subordinated Lender arising from any amendment to the Subordinated Lender Commitment.
- 1.1.27 **"Subordinated Lender Security"** means any lien, mortgage, charge or security interest held at any time by or for the benefit of the Subordinated Lender with respect to any of the Debtors' Property, to the extent that it secures the payment or performance of the Subordinated Lender Indebtedness or any other obligations of the Debtors to the Subordinated Lender.

1.2 Certain Rules of Interpretation

- 1.2.1 In this Agreement, words signifying the singular number include the plural and vice versa, and words signifying gender include all genders. Every use of the word "including" in this Agreement is to be construed as meaning "including, without limitation".
- 1.2.2 The division of this Agreement into Articles and Sections, the insertion of headings and the provision of a table of contents are for convenience of reference only and do not affect the construction or interpretation of this Agreement.
- 1.2.3 References in this Agreement to an Article or Section are to be construed as references to an Article or Section of this Agreement.
- 1.2.4 Unless otherwise specified, any reference in this Agreement to any statute includes all regulations made under or in connection with that statute, and is to be construed as a reference to that statute as amended, supplemented or replaced.

1.3 Governing Law

This Agreement is governed by, and is to be construed and interpreted in accordance with, the laws of the Province of Alberta and the laws of Canada applicable in that Province.

1.4 Entire Agreement

This Agreement, together with the Loan Documents, constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties, and there are no representations, warranties or other agreements between the Parties in connection with the subject matter of this Agreement except as specifically set out in this Agreement or in the Loan Documents. No Party has been induced to enter into this Agreement in reliance on, and there will be no liability assessed, either in tort or contract, with respect to, any warranty, representation, opinion, advice or assertion of fact, except to the extent it has been reduced to writing and included as a term in this Agreement or in the Loan Documents.

ARTICLE 2 SUBORDINATION AND POSTPONEMENT

2.1 Consents

Despite any other provisions in the Loan Documents:

- 2.1.1 the Senior Lenders consent to the creation and existence of the Subordinated Lender Indebtedness and to the creation, execution, delivery, registration, filing and perfection of the Subordinated Lender Security; and
- 2.1.2 the Subordinated Lender acknowledges the existence of, and consents to, the Senior Lender Indebtedness and to the creation, execution, delivery, registration, filing and perfection of the Senior Lender Security.

2.2 Subordination and Postponement

The Subordinated Lender irrevocably and unconditionally subordinates and postpones for all purposes:

- 2.2.1 the right to, and receipt of, payment of the Subordinated Lender Indebtedness to the prior payment in full of the Senior Lender Indebtedness so that, subject to Article 3, the Subordinated Lender will not be entitled to receive any payment or satisfaction in respect of the Subordinated Lender Indebtedness until the Senior Lender Indebtedness has been paid and satisfied in full, and the Senior Lender has discharged and released the Senior Lender Security; and
- 2.2.2 the Subordinated Lender Security to the Senior Lender Security, so that the Senior Lenders Security will have full and absolute priority over the Subordinated Lender Security and will rank, in all circumstances and for all purposes, in priority to the Subordinated Lender Security to the extent of the Senior Lender Indebtedness.

The Subordinated Lender shall not register or file notice of the Subordinated Lender Security under the *Land Titles Act* of the Province of Alberta against any parcel of real property unless the Senior Lenders have registered or filed notice of the Senior Lender Security against such parcel.

2.3 No Effect on Senior Lender's Priority

The subordination and postponement provided for in this Agreement, and all other rights established in, altered by or specified in this Agreement, will be effective irrespective of any facts, matters or circumstances of any kind, including:

- 2.3.1 the time, date or order of creation, execution, delivery, attachment, registration or perfection of the Security;
- 2.3.2 the method of perfection of the Security;
- 2.3.3 the time, date or order of registration or filing of financing statements, real property charges, mortgages or forms, or other filings, registrations or recordings of the Security under any registration regime;
- 2.3.4 the giving of, or failure to give, notice of the acquisition of any additional Security;
- 2.3.5 the date or dates of any existing or future advances made to JMB by any Lender or of any liability of the Debtors to any Lender;
- 2.3.6 the date or dates of any Default or of any demand for payment resulting from any Default;
- 2.3.7 the date or dates of crystallization of any floating charge contained in the Security;
- 2.3.8 the date or dates of commencement of enforcement proceedings under the Security;
- 2.3.9 the place or jurisdiction of creation, execution, delivery, attachment, registration or perfection of any of the Indebtedness or the Security, or any document or agreement relating to them;
- 2.3.10 any other matter which may affect the relative priorities of the Indebtedness or the Security;
or

2.3.11 the priorities otherwise given to the Security by any applicable laws.

2.4 No Waiver or Loss of Subordination

No right of the Senior Lenders to enforce the subordination and other provisions of this Agreement will, at any time or in any way, be impaired, waived or released by:

2.4.1 any act, or failure to act, by the Debtors;

2.4.2 any act, or failure to act, by a Senior Lender and its agents and representatives, or by any receiver, manager or other Person appointed by such Senior Lender (the "**Senior Lender Receiver**"), including any failure to take, record or otherwise perfect or preserve the perfection of any lien or security interest created by the Senior Lender Security or securing the Senior Lender Indebtedness, or any carelessness or neglect by such Senior Lender in asserting any of its rights under the Senior Lender Security or otherwise;

2.4.3 any non-compliance by the Debtors with any of the agreements or instruments relating to the Senior Lender Indebtedness or the Subordinated Lender Indebtedness, regardless of any knowledge of that non-compliance which the Senior Lender may have or be deemed to have; or

2.4.4 any loss of or in respect of any of the Senior Lender Security, including the loss by operation of law of any right of a Senior Lender against the Debtors or the loss, release or termination of any Senior Lender Security.

2.5 Permitted Actions of the Senior Lenders

The Senior Lenders may at any time, without the consent of the Subordinated Lender (except if required under Section **Error! Reference source not found.**), and without either relieving the Subordinated Lender of any of its obligations under this Agreement or impairing, waiving or releasing the subordination and other benefits provided in this Agreement or the obligations of the Subordinated Lender to the Senior Lenders under this Agreement, do any one or more of the following:

2.5.1 amend, supplement, restate or replace the Senior Lender Commitment or the Senior Lender Security;

2.5.2 sell, exchange, release, surrender, realize upon, enforce or otherwise deal in any manner with any of the Debtors' Property securing the Senior Lender Indebtedness, or any liability, direct or indirect, of the Debtors or any guarantor of the Senior Lender Indebtedness to the Senior Lender;

2.5.3 settle or compromise any Senior Lender Indebtedness or any other liability of the Debtors, other than the Subordinated Lender Indebtedness, or of any guarantor of the Senior Lender Indebtedness, or any security for it or any liability incurred directly or indirectly in respect of it, and apply any sums paid as a result in any manner or order;

2.5.4 exercise, or delay in or refrain from exercising, any other right or remedy against, and elect any remedy or otherwise deal freely with, the Debtors, any guarantor of the Senior Lender Indebtedness or any other Person; or

- 2.5.5 grant time or other indulgences to the Debtors or any guarantor of the Senior Lender Indebtedness, and give up or abstain from taking advantage of the Senior Lender Security in whole or in part, and discharge any part of, or accept any composition, arrangement or realization on, the Senior Lender Security when and in such manner as the Senior Lender may deem expedient.

2.6 Application of Payments

The Subordinated Lender agrees that all payments received by a Senior Lender may be applied, in whole or in part, to any of the Senior Lender Indebtedness as such Senior Lender in its sole discretion deems appropriate.

2.7 Notification of Indebtedness

The Subordinated Lender will, upon receipt of a written request by a Senior Lender, advise such Senior Lender in writing of the particulars of the Subordinated Lender Indebtedness. The Debtors consent to the disclosure of this information by the Subordinated Lender, provided that such Senior Lender maintains it in confidence.

2.8 Waivers

The Subordinated Lender agrees that:

- 2.8.1 all of the Senior Lender Indebtedness will be deemed to have been made or incurred, and advanced, readvanced and continued, in reliance upon this Agreement;
- 2.8.2 the Senior Lenders have made no representations or warranties with respect to the due execution, legality, validity, completeness, enforceability, registration or perfection of any agreement or instrument relating to the Senior Lender Indebtedness, the Senior Lender Commitment or the Senior Lender Security, or to the collectibility of the Senior Lender Indebtedness;
- 2.8.3 subject to the terms of this Agreement and to applicable law, the Senior Lenders will be entitled to manage and supervise their respective loans and other financial accommodation to the Debtors in any manner they deem appropriate, without regard to the existence of any rights that the Subordinated Lender may now or in future have in or to any of the Debtors' Property; and
- 2.8.4 subject to the terms of this Agreement, the Senior Lenders will have no liability to the Subordinated Lender for, and the Subordinated Lender waives, any claims which it may now or in future have against the Senior Lenders with respect to any actions the Senior Lenders take or omit to take with respect to the Senior Lender Indebtedness or any agreement or instrument related to the Senior Lender Indebtedness, or with respect to the collection of the Senior Lender Indebtedness, or the valuation, use, protection or release of any of the Debtors' Property securing payment of the Senior Lender Indebtedness, including actions with respect to:
- 2.8.4.1 the creation, registration, perfection or continuation of mortgages, charges, liens or security interests in any of the Debtors' Property or any other assets at any time securing payment of the Senior Lender Indebtedness;

- 2.8.4.2 the occurrence of any Default under the Senior Lender Commitment or Senior Lender Security;
- 2.8.4.3 the release or depreciation of, or failure to realize upon, any of the Debtors' Property or any other property, undertaking and assets securing payment of the Senior Lender Indebtedness; and
- 2.8.4.4 the enforcement of any security or the collection of any claims for all or any part of the Senior Lender Indebtedness from any account debtor, guarantor or any other Person.

ARTICLE 3 RESTRICTIONS ON PAYMENT AND ENFORCEMENT

3.1 Restrictions on Payment of the Subordinated Lender Indebtedness

- 3.1.1 Until the Senior Lender Indebtedness has been repaid in full, all credit facilities established by the Senior Lenders in favour of the Debtors under the Senior Lender Commitments have been terminated, and all Senior Lender Security has been discharged, no payment, prepayment or repayment on account of, or any distribution in respect of, the Subordinated Lender Indebtedness will be made by the Debtors, with the exception of scheduled cash interest payments of not greater than 10% per annum, payable monthly in arrears, in respect of the Subordinated Lender Indebtedness as stipulated in the Subordinated Lender Commitment as at the date of this Agreement (the "**Permitted Payments**").
- 3.1.2 Despite Section 3.1.1, the Debtors will not be entitled to make, and the Subordinated Lender will not be entitled to receive, any Permitted Payments following the occurrence of any Default under a Senior Lender Commitment or the Senior Lender Security which is continuing and has not been waived by the Senior Lenders, if:
 - 3.1.2.1 the Subordinated Lender has received written notice (a "**Payment Blockage Notice**") from a Senior Lender confirming that such a Default has occurred and is continuing; and
 - 3.1.2.2 that Payment Blockage Notice describes the Default and is delivered in accordance with Section 5.8 of this Agreement.
- 3.1.3 The prohibition in Section 3.1.2 on making and receiving Permitted Payments will continue during any period (each a "**Payment Blockage Period**") commencing on the date of receipt by the Subordinated Lender of a Payment Blockage Notice and terminating on the earlier of:
 - 3.1.3.1 the date on which the relevant Senior Lender acknowledges to the other Senior Lender (as applicable), Debtors and the Subordinated Lender by sending a written notice (the "**Reinstatement Notice**") to them that the Default which was the subject of that Payment Blockage Notice has been cured and a further Default will not result from the reinstatement of any Permitted Payments; provided that the relevant Senior Lender(s) will be required to issue a Reinstatement Notice once the Default has been cured to its or their satisfaction and the Debtors have been in compliance with their covenants and obligations under the Senior Lender

Commitments and the Senior Lender Security for an uninterrupted period of 60 days beginning on the date the Default was cured; and

- 3.1.3.2 120 days from the receipt by the Subordinated Lender of that Payment Blockage Notice, unless during that time a Senior Lender has commenced realization and is continuing to realize upon all or part of the Senior Lender Security on the Debtors' Property pursuant to any means at law or in equity, including through either a Senior Lender Receiver or a court appointed receiver, or the Debtors has become the subject of proceedings under the *Bankruptcy and Insolvency Act* (Canada), or the *Companies' Creditors Arrangement Act* (Canada), or of involuntary winding-up or liquidation proceedings, in which case the Payment Blockage Period will continue until the realization or proceedings are completed.

For the purpose of paragraph 3.1.3.2 a Payment Blockage Period will not be extended by reason of any further Default, or Payment Blockage Notice, occurring within that Payment Blockage Period, with all of those Defaults, or Payment Blockage Notices, being covered by that Payment Blockage Period; provided, however, that if the Senior Lender has issued a Reinstatement Notice in respect of any Payment Blockage Notice (which will be deemed to cover all Defaults or Payment Blockage Notices as of its date), and a further Default occurs, then such Senior Lender will be entitled to issue a further Payment Blockage Notice and to have a new Payment Blockage Period started.

- 3.1.4 The Debtors confirm, and the Subordinated Lender acknowledges, that the Debtors will not make any Permitted Payments if doing so would result in the occurrence of a Default.

3.2 **Payments Received by the Subordinated Lender**

If, prior to the payment in full of the Senior Lender Indebtedness, the Subordinated Lender or any Person on its behalf receives any payment, other than a Permitted Payment, from, or distribution of, the Debtors' Property, or on account of the Subordinated Lender Indebtedness, the Subordinated Lender will, or will cause that other Person to:

- 3.2.1 receive and hold that payment or distribution in trust for the benefit of the Senior Lenders; and
- 3.2.2 promptly deliver that payment or distribution to the Senior Lenders in the form received, except for any necessary endorsement or assignment, for application by the applicable Senior Lender to the repayment of the Senior Lender Indebtedness.

3.3 **Enforcement Standbys**

- 3.3.1 Despite any provision of the Subordinated Lender Commitment, the Subordinated Lender will not enforce the Subordinated Lender Security, in respect of any such Default unless the Senior Indebtedness has been repaid in full.
- 3.3.2 The Subordinated Lender may at any time accelerate the maturity of the Subordinated Lender Indebtedness solely for the purpose of proving its claim in any proceeding in connection with an event described in Section 3.4.1, and without changing the subordination and distribution of proceeds provisions of Section 3.4.

3.4 Liquidation, Dissolution and Bankruptcy

3.4.1 In the event of a distribution, division or application, partial or complete, voluntary or involuntary, by operation of law or otherwise, of all or any part of the Debtors' Property, or the proceeds of the Debtors' Property, to creditors in connection with the bankruptcy, insolvency, liquidation or winding up of the Debtors, or in connection with any composition with creditors or scheme of arrangement to which the Debtors is a party (collectively, the "Insolvency Proceedings"), the Senior Lenders will be entitled to:

3.4.1.1 receive payment in full, including interest accruing to the date of receipt of that payment at the applicable rate whether or not allowed as a claim in the Insolvency Proceedings, of the Senior Lender Indebtedness before the Subordinated Lender is entitled to receive any direct or indirect payment or distribution of any of the Debtors' Property, including cash, on account of the Subordinated Lender Indebtedness; and

3.4.1.2 demand that any proceeds received by the Subordinated Lender in connection with any of the Insolvency Proceedings be applied to the payment of the Senior Lender Indebtedness, and the Subordinated Lender agrees that those proceeds will be held in trust for, and paid over to, the Senior Lenders as long as any Senior Lender Indebtedness remains outstanding.

3.4.2 In any Insolvency Proceedings, the Subordinated Lender agrees not to exercise any voting right or other privilege that it may have in any Insolvency Proceedings in favour of any plan, proposal, compromise, arrangement or similar transaction that would defeat:

3.4.2.1 the right of the Senior Lenders to receive payments and distributions otherwise payable or deliverable with respect to the Senior Lender Indebtedness, so long as any of the Senior Lender Indebtedness remains outstanding; or

3.4.2.2 the obligation of the Subordinated Lender to receive, hold in trust, and pay over to the Senior Lenders certain payments and distributions as contemplated by Section 3.2.

3.4.3 Except as expressly provided, this Agreement will not be interpreted to compel the Subordinated Lender to exercise any voting right or other privilege it may have in any Insolvency Proceedings so as to prejudice the Subordinated Lender Indebtedness.

3.5 Payment of the Senior Lender Indebtedness

For the purposes of this Agreement, the Senior Lender Indebtedness will be considered to be paid in full when the aggregate of the cash payments and the fair market value of non-cash payments received by the Senior Lenders, as determined by the applicable Senior Lender in its discretion, is equal to the Senior Lender Indebtedness owed to such Senior Lender.

3.6 Appointment of Receiver

The Subordinated Lender acknowledges that under the terms of the Senior Lender Security, either the Senior Lenders or a Senior Lender Receiver may become entitled to the exclusive custody and control of the Debtors' Property. Despite Section 3.3.1, the Subordinated Lender will not be entitled to appoint

a receiver or take steps to have a receiver appointed by court order or otherwise, without the prior written consent of the Senior Lenders. Any receiver appointed by the Subordinated Lender and, to the extent consistent with an order of a court, any court appointed receiver, will surrender custody and control of all of the Debtors' Property to any Senior Lender Receiver subsequently appointed by or on behalf of the Senior Lenders with respect to the Debtors' Property. The Senior Lenders will instruct any Senior Lender Receiver to provide the Subordinated Lender with all information it reasonably requests. The Senior Lenders and the Subordinated Lender will be entitled to concurrently receive all information provided by the Senior Lender Receiver. Nothing in this Section will be deemed to be an acknowledgment by the Senior Lender of any rights the Subordinated Lender may have to appoint a receiver or receiver and manager.

ARTICLE 4 OTHER RESTRICTIONS

4.1 Restriction on Assignment

The Parties agree that:

- 4.1.1 subject to the restrictions on assignment in Section 5.13, the Subordinated Lender will not assign or transfer, in whole or in part, the Subordinated Lender Indebtedness or the Subordinated Lender Security to any Person unless:
- 4.1.1.1 that Person enters into a written agreement with the Senior Lenders, in form and substance satisfactory to the Senior Lenders in their sole discretion, under which that Person agrees to be bound by the terms of this Agreement in effect as of the date of the proposed assignment or transfer; and
 - 4.1.1.2 an originally executed copy of that written agreement is delivered to the Senior Lenders;
- In which case the Subordinated Lender will be released from its obligations under this Agreement, to the extent that those obligations have been assigned or transferred;
- 4.1.2 subject to the restrictions on assignment in Section 5.13, the Senior Lenders will not assign or transfer, in whole or in part, the Senior Lender Indebtedness or the Senior Lender Security to any Person unless:
- 4.1.2.1 that Person enters into a written agreement with the Subordinated Lender, in form and substance satisfactory to the Subordinated Lender in its sole discretion, under which that Person agrees to be bound by the terms of this Agreement in effect as of the date of the proposed assignment or transfer; and
 - 4.1.2.2 an originally executed copy of that written agreement is delivered to the Subordinated Lender;
- in which case the assigning Senior Lender will be released from its obligations under this Agreement, to the extent that those obligations have been assigned or transferred; and
- 4.1.3 despite the failure of any assignee or other transferee to comply with the provisions of this Article 4, the subordinations under this Agreement will survive any assignment, sale, pledge,



disposition or other transfer of all or any portion of the Subordinated Lender Indebtedness, the Subordinated Lender Security, the Senior Lender Indebtedness or the Senior Lender Security, as applicable, and the terms of this Agreement will be binding upon the successors and assigns of the Senior Lenders and the Subordinated Lender as provided in this Agreement.

4.2 Restrictions on Amendments—Subordinated Lender

Unless the Subordinated Lender has obtained the written consent of the Senior Lenders, the Subordinated Lender will not amend, revise, restate, supplement or replace the Subordinated Lender Security and the Subordinated Lender Commitment in any manner which would:

- 4.2.1 result in any earlier scheduled payment date or final maturity date of any of the Subordinated Lender Indebtedness;
- 4.2.2 permit the outstanding principal amount of the Subordinated Lender Indebtedness to exceed the maximum principal amount permitted under the Subordinated Lender Commitment as of the date of this Agreement, less the aggregate of all permanent reductions in the Subordinated Lender Indebtedness;
- 4.2.3 increase in any manner not contemplated by the Subordinated Lender Commitment any stated rate at which interest accrues in respect of any credit facility provided by the Subordinated Lender;
- 4.2.4 increase in any manner not contemplated by the Subordinated Lender Commitment any fee or other charge payable by the Debtors to the Subordinated Lender, impose any additional fee or other charge payable to the Subordinated Lender, or increase the obligations of the Debtors to reimburse expenses or provide indemnities to the Subordinated Lender;
- 4.2.5 cause any covenant or obligation of the Debtors under the Subordinated Lender Commitment to be more onerous than its corresponding provision under the Senior Lender Commitment;
- 4.2.6 cause any covenant or obligation of the Debtors under the Subordinated Lender Commitment or Subordinated Lender Security to be more onerous than it is at the date of this Agreement;
- 4.2.7 require the delivery of any additional security documents or guarantees, unless equivalent security documents or guarantees are contemporaneously provided to the Senior Lender; or
- 4.2.8 impose additional covenants on the Debtors which will have, or could reasonably be expected to have, a material adverse effect on the ability of the Debtors to repay the Senior Lender Indebtedness due to the costs associated with complying with those additional covenants, or the extraordinary amount of management time required to ensure compliance with those additional covenants, or otherwise.

Any amendment, revision, restatement, supplement or replacement of the Subordinated Lender Commitment, Subordinated Lender Indebtedness or Subordinated Lender Security which is not made in accordance with this Section will not be effective against the Senior Lenders.

4.3 No Challenge to Security

Subject to the terms of this Agreement, the Subordinated Lender will not challenge the Senior Lender Security on the grounds that it is invalid, ineffective, unenforceable, unregistered or not perfected.

ARTICLE 5 GENERAL

5.1 Rights of Other Parties

Nothing in this Agreement will be interpreted to:

- 5.1.1 entitle any Person not a Party to receive any proceeds of realization of any of the Debtors' Property;
- 5.1.2 confer any rights upon the Debtors, or any Person not a Party;
- 5.1.3 confer upon the Debtors or any Person except the Lenders any right to enforce the covenants and agreements of the Lenders contained in this Agreement;
- 5.1.4 require any Lender to advance monies or otherwise extend credit to the Debtors at any time;
- 5.1.5 require any Lender to enforce or realize upon the Debtors' Property; or
- 5.1.6 confer any rights or benefits upon any Person except the Lenders which would enable that Person to claim any priority over either Lender to the proceeds of realization of the Debtors' Property.

If any Person other than the Lenders has any valid claim to the proceeds of realization of any of the Debtors' Property in priority to or equal with any of the Lenders, then this Agreement will not diminish the rights, as those rights would have been but for this Agreement, of the Lenders to those proceeds of realization.

5.2 No Consent of Debtors

No consent of the Debtors will be necessary for any amendment to this Agreement by the Lenders unless the interests of the Debtors are directly and adversely affected by that amendment. The Lenders will provide to the Debtors a copy of each amendment to this Agreement, contemporaneously with execution and delivery of it by the Lenders, provided that any failure to deliver a copy of an amendment to the Debtors will not affect the enforceability of this Agreement or that amendment.

5.3 Acknowledgment of Receipt

The Debtors acknowledge receipt of an executed copy of this Agreement and agree to its terms, and will stand possessed of the Debtors' Property for the Lenders in accordance with the provisions of this Agreement.



5.4 Exchange of Information

The Lenders may at any time exchange information concerning the affairs of the Debtors, and the Debtors expressly consent to that exchange of information, provided that each Lender maintains the confidentiality of all information concerning the Debtors that it receives from the other Lender.

5.5 Paramountcy

If there is any conflict between the provisions of this Agreement and provisions in any of the Loan Documents, the provisions of this Agreement will govern.

5.6 Assignment by the Subordinated Lender

The Subordinated Lender will not assign or transfer all or any part of the Subordinated Lender Indebtedness or the Subordinated Lender Security without obtaining a written agreement under which the transferee or assignee agrees to be bound by the provisions of this Agreement.

5.7 Time of Essence

Time is of the essence of this Agreement.

5.8 Notice

Any Communication must be in writing and either personally delivered, sent by prepaid registered mail or sent by facsimile or functionally equivalent electronic means of communication, charges (if any) prepaid confirmed by prepaid registered mail. Any Communication must be sent to the intended recipient at its address as follows:

to the JMB Crushing Systems Inc., Eastside Rock Products, Inc. and 2161889 Alberta Ltd.
at:

PO Box 6977
Bonnyville, AB T9N2H4
Attention: Jeff Buck, President
Email: jeffb@jmbcrush.com

to Canadian Aggregate Resource Corporation as Subordinated Lender at:

1400 16th St, Suite 320
Denver, CO 80209
Attention: Byron Levkulich, Director
Email: byron.levkulich@rlholdings.com

to Fiera Private Debt Fund VI LP, by its general partner Integrated Private Debt Fund GP Inc. and Fiera Private Debt Fund V LP, by its general partner Integrated Private Debt Fund GP Inc., as a Senior Lender at:

20 Adelaide Street East, Suite 1500,
Toronto, Ontario M5C 2T6
Attention: Stephen Zagrodny, Director, Corporate & Infrastructure Debt
Financing
Email: szagrodny@fieracapital.com

to ATB Financial, as a Senior Lender at:

ATB Financial
ATB Place
2500-10020 100 St NW
Edmonton, Alberta T5J 0N3
Attention: Relationship Manager
Facsimile: [•]
Email:

or at any other address as any Party may from time to time advise the other by Communication given in accordance with this Section 5.8. Any Communication delivered to the Party to whom it is addressed will be deemed to have been given and received on the day it is so delivered at that Party's address, provided that if that day is not a Business Day then the Communication will be deemed to have been given and received on the next Business Day. Any Communication transmitted by facsimile or other form of electronic communication will be deemed to have been given and received on the day on which it was transmitted (but if the Communication is transmitted on a day which is not a Business Day or after 3:00 p.m. (local time of the recipient), the Communication will be deemed to have been received on the next Business Day). Any Communication given by registered mail will be deemed to have been received on the 5th Business Day after which it is so mailed. If a strike or lockout of postal employees is then in effect, or generally known to be impending, every Communication must be effected by personal delivery or by facsimile or functionally equivalent electronic transmission.

5.9 Severability

Each provision of this Agreement is distinct and severable. If any provision of this Agreement, in whole or in part, is or becomes illegal, invalid or unenforceable in any jurisdiction by a court of competent jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect the legality, validity or enforceability of the remaining provisions of this Agreement or the legality, validity or enforceability of that provision in any other jurisdiction.

5.10 Submission to Jurisdiction

Without prejudice to the ability of any Party to enforce this Agreement in any other proper jurisdiction, each of the Parties irrevocably submits and attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta to determine all issues, whether at law or in equity, arising from this Agreement. To the extent permitted by applicable law, each of the Parties:

- 5.10.1 irrevocably waives any objection (including any claim of inconvenient forum) that it may now or in the future have to the venue of any legal proceeding arising out of or relating to this Agreement in the courts of that Province, or that the subject matter of this Agreement may not be enforced in those courts; and

5.10.2 irrevocably agrees not to seek, and waives any right to, judicial review by any court which may be called upon to enforce the judgment of the courts referred to in this Section 5.10, of the substantive merits of any such suit, action or proceeding.

5.11 Amendment and Waiver

No supplement, modification, amendment, waiver, discharge or termination of this Agreement is binding unless it is executed in writing by the Party to be bound. No waiver of, failure to exercise or delay in exercising, any provision of this Agreement constitutes a waiver of any other provision, whether or not similar, nor does such waiver constitute a continuing waiver unless otherwise expressly provided.

5.12 Further Assurances

Each Party will, at the requesting Party's cost, execute and deliver any further agreements and documents and provide any further assurances as may be reasonably required by the other Party to give effect to this Agreement and, without limiting the generality of the foregoing, will do or cause to be done all acts and things, execute and deliver or cause to be executed and delivered all agreements and documents and provide all assurances, undertakings and information as may be required from time to time by all regulatory or governmental bodies.

5.13 Successors and Assigns

Neither this Agreement nor any right or obligation under this Agreement may be assigned by any Party without the prior consent of the other Parties. This Agreement enures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns.

5.14 Counterparts and Electronic Delivery

This Agreement may be executed and delivered by the Parties in one or more counterparts, each of which will be an original, and each of which may be delivered by facsimile or functionally equivalent electronic means, and those counterparts will together constitute one and the same instrument.

5.15 No Contra Proferentem

This Agreement has been reviewed by each Party's professional advisors, and revised during the course of negotiations between the Parties. Each Party acknowledges that this Agreement is the product of their joint efforts, that it expresses their agreement, and that, if there is any ambiguity in any of its provisions, no rule of interpretation favouring one Party over another based on authorship will apply.

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Each of the Parties has executed and delivered this Agreement as of the date noted at the beginning of the Agreement.

ATB FINANCIAL

By: DocuSigned by: [Signature]
Name: 06823314EC8A4EB...
Title:

**FIERA PRIVATE DEBT FUND VI LP, by its
general partner INTEGRATED PRIVATE DEBT
FUND GP INC.**

By: _____
Name:
Title:

**FIERA PRIVATE DEBT FUND V LP, by its
general partner INTEGRATED PRIVATE
DEBT FUND GP INC., acting in its capacity as
Collateral Agent for and on behalf of and for
the benefit of FIERA PRIVATE DEBT FUND
VI LP, by its general partner INTEGRATED
PRIVATE DEBT FUND GP INC.**

By: _____
Name:
Title:

JMB CRUSHING SYSTEMS INC.

By: _____
Name:
Title:

2161889 ALBERTA LTD.

By: _____
Name:
Title:

**CANADIAN AGGREGATE RESOURCE
CORPORATION**

By: _____
Name:
Title:

EASTSIDE ROCK PRODUCTS, INC.

By: _____
Name:
Title:

Each of the Parties has executed and delivered this Agreement as of the date noted at the beginning of the Agreement.

ATB FINANCIAL

By: _____

Name: _____

Title: _____

FIERA PRIVATE DEBT FUND V LP, by its general partner **INTEGRATED PRIVATE DEBT FUND GP INC.**, acting in its capacity as Collateral Agent for and on behalf of and for the benefit of **FIERA PRIVATE DEBT FUND VI LP**, by its general partner **INTEGRATED PRIVATE DEBT FUND GP INC.**

By: _____

Name: _____

Title: _____

JMB CRUSHING SYSTEMS INC.

By: _____

Name: _____

Title: _____

2161889 ALBERTA LTD.

By: _____

Name: _____

Title: _____

FIERA PRIVATE DEBT FUND VI LP, by its general partner **INTEGRATED PRIVATE DEBT FUND GP INC.**

By: _____

Name: _____

Title: _____

CANADIAN AGGREGATE RESOURCE CORPORATION

By: _____

Name: _____

Title: _____

EASTSIDE ROCK PRODUCTS, INC.

By: _____

Name: _____

Title: _____

Each of the Parties has executed and delivered this Agreement as of the date noted at the beginning of the Agreement.

ATB FINANCIAL

By: _____

Name:
Title:

FIERA PRIVATE DEBT FUND V LP, by its
general partner **INTEGRATED PRIVATE
DEBT FUND GP INC.**, acting in its capacity as
Collateral Agent for and on behalf of and for
the benefit of **FIERA PRIVATE DEBT FUND
VI LP**, by its general partner **INTEGRATED
PRIVATE DEBT FUND GP INC.**

By: _____
Name:
Title:

JMB CRUSHING SYSTEMS INC.

By: 

Name: Jeff Buck
Title: director

2161889 ALBERTA LTD.

By: 

Name: Jeff Buck
Title: director

FIERA PRIVATE DEBT FUND VI LP, by its
general partner **INTEGRATED PRIVATE DEBT
FUND GP INC.**

By: _____

Name:
Title:

**CANADIAN AGGREGATE RESOURCE
CORPORATION**

By: _____

Name:
Title:

EASTSIDE ROCK PRODUCTS, INC.

By: 

Name: Jeff Buck
Title: director



Each of the Parties has executed and delivered this Agreement as of the date noted at the beginning of the Agreement.

ATB FINANCIAL

By: _____

Name:
Title:

FIERA PRIVATE DEBT FUND V LP, by its general partner **INTEGRATED PRIVATE DEBT FUND GP INC.**, acting in its capacity as Collateral Agent for and on behalf of and for the benefit of **FIERA PRIVATE DEBT FUND VI LP**, by its general partner **INTEGRATED PRIVATE DEBT FUND GP INC.**

By: _____

Name:
Title:

JMB CRUSHING SYSTEMS INC.

By: _____

Name:
Title:

2161889 ALBERTA LTD.

By: _____

Name:
Title:

FIERA PRIVATE DEBT FUND VI LP, by its general partner **INTEGRATED PRIVATE DEBT FUND GP INC.**

By: _____

Name:
Title:

CANADIAN AGGREGATE RESOURCE CORPORATION

By: Byron J Levkulich

Name: Byron J Levkulich
Title:

EASTSIDE ROCK PRODUCTS, INC.

By: _____

Name:
Title:



THIS IS EXHIBIT "M" REFERRED TO IN

THE AFFIDAVIT OF JEFF BUCK

SWORN BEFORE ME

THIS 16 DAY OF APRIL, 2020



A Commissioner of Oaths and Notary Public
in and for the Province of Alberta

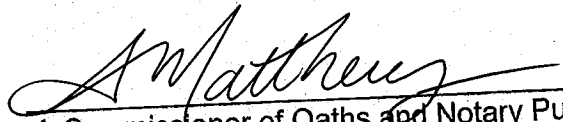
Alex Matthews
Barrister & Solicitor



Exhibit "M", not attached to the Affidavit

A handwritten signature or set of initials, possibly "AS", located in the bottom right corner of the page.

THIS IS EXHIBIT "N" REFERRED TO IN
THE AFFIDAVIT OF JEFF BUCK
SWORN BEFORE ME
THIS 16 DAY OF APRIL, 2020


A Commissioner of Oaths and Notary Public
in and for the Province of Alberta

Alex Matthews
Barrister & Solicitor



PPR AND UCC REGISTRATION SUMMARY

JMB CRUSHING SYSTEMS INC. ("JMB CRUSHING").....2

1. ALBERTA PERSONAL PROPERTY REGISTRY.....2

2. BRITISH COLUMBIA PERSONAL PROPERTY REGISTRY38

3. SASKATCHEWAN PERSONAL PROPERTY REGISTRY.....56

2161889 ALBERTA LTD. ("216")58

4. ALBERTA PERSONAL PROPERTY REGISTRY.....58

5. BRITISH COLUMBIA PERSONAL PROPERTY REGISTRY62

6. SASKATCHEWAN PERSONAL PROPERTY REGISTRY.....63



JMB Crushing Systems Inc. ("JMB Crushing")

1. Alberta Personal Property Registry

A business debtor search of the Alberta Personal Property Registry dated April 6, 2020 revealed the following registrations against JMB Crushing:

Registration No. (and amendments)	15072820490
Registration Type	SECURITY AGREEMENT
Registration Date	2015-Jul-28
Expiry	2020-Jul-28
Debtors	JMB CRUSHING SYSTEMS ULC
Secured Party	CATERPILLAR FINANCIAL SERVICES LIMITED
Collateral: Serial Number Goods	CAT0140MHD9G01333 2012 CATERPILLAR 140M MV - Motor Vehicle
Collateral: General	2012 CATERPILLAR 140M AWD MOTOR GRADER S/N CAT0140MHD9G01333. ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL. PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

Registration No. (and amendments)	15072820592
Registration Type	SECURITY AGREEMENT

Registration Date	2015-Jul-28
Expiry	2020-Jul-28
Debtors	JMB CRUSHING SYSTEMS ULC
Secured Party	CATERPILLAR FINANCIAL SERVICES LIMITED
Collateral: Serial Number Goods	CAT0140MAD9G01331 2012 CATERPILLAR 140M MV - Motor Vehicle
Collateral: General	2012 CATERPILLAR 140M AWD MOTOR GRADER S/N CAT0140MAD9G01331. ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL. PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

Registration No. (and amendments)	15072821615
Registration Type	SECURITY AGREEMENT
Registration Date	2015-Jul-28
Expiry	2020-Jul-28
Debtors	JMB CRUSHING SYSTEMS ULC
Secured Party	CATERPILLAR FINANCIAL SERVICES LIMITED
Collateral: Serial Number Goods	CAT0140MLD9G01332 2012 CATERPILLAR 140M MV - Motor Vehicle
Collateral: General	2012 CATERPILLAR 140M MOTOR GRADER S/N CAT0140MLD9G01332. ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE

	<p>ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL.</p> <p>PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.</p>
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Registration No. (and amendments)	15072821776
Registration Type	SECURITY AGREEMENT
Registration Date	2015-Jul-28
Expiry	2020-Jul-28
Debtors	JMB CRUSHING SYSTEMS ULC
Secured Party	CATERPILLAR FINANCIAL SERVICES LIMITED
Collateral: Serial Number Goods	CAT0140MPD9G01354 2012 CATERPILLAR 140M MV - Motor Vehicle
Collateral: General	<p>2012 CATERPILLAR 140M AWD MOTOR GRADER S/N CAT0140MPD9G01354.</p> <p>ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL.</p> <p>PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.</p>

Registration No. (and amendments)	15072822106
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Registration Type	SECURITY AGREEMENT
Registration Date	2015-Jul-28
Expiry	2020-Jul-28
Debtors	JMB CRUSHING SYSTEMS ULC
Secured Party	CATERPILLAR FINANCIAL SERVICES LIMITED
Collateral: Serial Number Goods	CAT0140MCD9G01357 2012 CATERPILLAR 140M MV - Motor Vehicle
Collateral: General	<p>2012 CATERPILLAR 140M AWD MOTOR GRADER S/N CAT0140MCD9G01357.</p> <p>ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL.</p> <p>PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.</p>

Registration No. (and amendments)	15072822529
Registration Type	SECURITY AGREEMENT
Registration Date	2015-Jul-28
Expiry	2020-Jul-28
Debtors	JMB CRUSHING SYSTEMS ULC
Secured Party	CATERPILLAR FINANCIAL SERVICES LIMITED
Collateral: Serial Number Goods	CAT0140MVD9G01330 2012 CATERPILLAR 140M MV - Motor Vehicle

Collateral: General	<p>2012 CATERPILLAR 140M AWD MOTOR GRADER S/N CAT0140MVD9G01330.</p> <p>ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL.</p> <p>PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.</p>
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Registration No. (and amendments)	15112009393
Registration Type	SECURITY AGREEMENT
Registration Date	2015-Nov-20
Expiry	2020-Nov-20
Debtors	JMB CRUSHING SYSTEMS ULC
Secured Party	CATERPILLAR FINANCIAL SERVICES LIMITED
Collateral: Serial Number Goods	CAT00D8TEMLN01555 2012 CATERPILLAR D8T MV - Motor Vehicle
Collateral: General	<p>ONE 2012 CATERPILLAR D8T TRACK TYPE TRACTOR SERIAL NUMBER CAT00D8TEMLN01555.</p> <p>ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL.</p> <p>PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.</p>

Registration No. (and amendments)	15121431234	
Registration Type	SECURITY AGREEMENT	
Registration Date	2015-Dec-14	
Expiry	2020-Dec-14	
Debtors	JMB CRUSHING SYSTEMS ULC BUCK, JEFFREY, MICHAEL	
Secured Party	ROYAL BANK OF CANADA	
Collateral: Serial Number Goods	1GC1KXE87FF637818 Motor Vehicle	2015 CHEVROLET SILVERADO 2500 MV -
Collateral: General	N/A	

Registration No. (and amendments)	16051824062	
Registration Type	SECURITY AGREEMENT	
Registration Date	2016-May-18	
Expiry	2022-May-18	
Debtors	JMB CRUSHING SYSTEMS ULC JMB CRUSHING SYSTEMS INC.	
Secured Party	CATERPILLAR FINANCIAL SERVICES LIMITED	
Collateral: Serial Number Goods	CAT0972MKEDW00340 Vehicle	2015 CATERPILLAR 972MXE MV - Motor
Collateral: General	ONE (1) CATERPILLAR 972MXE WHEEL LOADER TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH	



	COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL. PROCEEDS MEANS GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.
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Registration No. (and amendments)	16060909747 (19011420695 amendment)		
Registration Type	SECURITY AGREEMENT		
Registration Date	2016-Jun-09		
Expiry	2020-Jun-09		
Debtors	JMB CRUSHING SYSTEMS ULC JMB CRUSHING SYSTEMS INC.		
Secured Party	CATERPILLAR FINANCIAL SERVICES LIMITED		
Collateral: Serial Number Goods	CAT0246DCJSL00439	2015 CATERPILLAR 246D	MV - Motor Vehicle
Collateral: General	ONE (1) CATERPILLAR 246D SKID STEER LOADER TOGETHER WITH GENERAL PURPOSE BUCKET. TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL. PROCEEDS MEANS GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.		

Registration No. (and amendments)	16061006852 (19032524185 amendment)		
Registration Type	SECURITY AGREEMENT		

Registration Date	2016-Jun-10
Expiry	2020-Jun-10
Debtors	JMB CRUSHING SYSTEMS ULC JMB CRUSHING SYSTEMS INC.
Secured Party	FORD CREDIT CANADA LEASING, A DIVISION OF CANADIAN ROAD LEASING
Collateral: Serial Number Goods	1FT7W2B66GEB46457 2016 FORD F250 MV - Motor Vehicle
Collateral: General	N/A

Registration No. (and amendments)	16081522965 (19032525365 amendment)
Registration Type	SECURITY AGREEMENT
Registration Date	2016-Aug-15
Expiry	2021-Aug-15
Debtors	JMB CRUSHING SYSTEMS INC.
Secured Party	FORD CREDIT CANADA LIMITED
Collateral: Serial Number Goods	1FTFW1EFXGFC63082 2016 FORD F150 MV - Motor Vehicle
Collateral: General	N/A

Registration No. (and amendments)	17030231203 (17032207201 amendment; 17032225013 amendment; 17032321601 amendment; 19062439042 amendment)
Registration Type	SECURITY AGREEMENT

Registration Date	2017-Mar-02
Expiry	2023-Mar-02
Debtors	JMB CRUSHING SYSTEMS ULC (4 addresses) JMB CRUSHING SYSTEMS INC. (2 addresses)
Secured Party	THE TORONTO-DOMINION BANK TD EQUIPMENT FINANCE CANADA, A DIVISION OF THE TORONTO-DOMINION BANK
Collateral: Serial Number Goods	N/A
Collateral: General	(1) 2014 AMI THUNDERBIRD II 3054JVE ELECTRIC PORTABLE JAW PLANT W/SWITCHGEAR S/N 2807-14 ,(1) 2014 CR 30X54 JAW CRUSHER S/N TRXJ3054COKEE0657(1)2014 AMI 50X20 C04521 VGF S/N 2806-14,C/W (1)2015 TEREX 6203 PORTABLE SCREENING PLANT S/N TRX620HSCOKFK0807 ,(7) 2015 36X50 SUPERIOR STACKABLE CONVEYORS WITH LEGS S/N 817775,S/N 847651,S/N 847652 , S/N 847655, S/N 847656, S/N 847657 ,S/N 847658

Registration No. (and amendments)	17040638801 (18112724291 amendment; 19040524519 amendment; 19121706344 amendment)
Registration Type	SECURITY AGREEMENT
Registration Date	2017-Apr-06
Expiry	2027-Apr-06
Debtors	JMB CRUSHING SYSTEMS ULC JMB CRUSHING SYSTEMS INC. EASTSIDE ROCK PRODUCTS, INC. 2161889 ALBERTA LTD.
Secured Party	FIERA PRIVATE DEBT FUND V LP, AS COLLATERAL AGENT
Collateral: Serial Number Goods	N/A



Collateral: General	ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTORS.
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Registration No. (and amendments)	17050508652 (18111518097 amendment; 18122119393 amendment; 20012721287 amendment)
Registration Type	SECURITY AGREEMENT
Registration Date	2017-May-05
Expiry	2027-May-05
Debtors	JMB CRUSHING SYSTEMS ULC JMB CRUSHING SYSTEMS INC. 1610880 ALBERTA ULC (2 addresses)
Secured Party	ALBERTA TREASURY BRANCHES ATB FINANCIAL
Collateral: Serial Number Goods	N/A
Collateral: General	ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY AND PROCEEDS.

Registration No. (and amendments)	17050508719 (18111518084 amendment; 18122119409 amendment; 20012721218 amendment)
Registration Type	LAND CHARGE
Registration Date	2017-May-05
Expiry	Infinity
Debtors	JMB CRUSHING SYSTEMS ULC JMB CRUSHING SYSTEMS INC. 1610880 ALBERTA ULC (2 addresses)

Secured Party	ALBERTA TREASURY BRANCHES ATB FINANCIAL
Collateral: Serial Number Goods	N/A
Collateral: General	N/A

Registration No. (and amendments)	17061240553 (17061513503 amendment; 17061633921 amendment; 19031304914 amendment)
Registration Type	SECURITY AGREEMENT
Registration Date	2017-Jun-12
Expiry	2023-Jun-12
Debtors	JMB CRUSHING SYSTEMS ULC JMB CRUSHING SYSTEMS INC.
Secured Party	BANK OF MONTREAL
Collateral: Serial Number Goods	TRXV6203TDUEG1886 2015 AMI LJ-TSV 6203-32 TR - Trailer
Collateral: General	THE GOODS DESCRIBED HEREIN, WHEREVER SITUATED, AND ALL PRESENT AND AFTER-ACQUIRED INTELLECTUAL PROPERTY, INTANGIBLES, ATTACHMENTS, ACCESSORIES AND ACCESSIONS THERETO AND SPARE PARTS, REPLACEMENTS, SUBSTITUTIONS, EXCHANGES AND TRADE-INS THEREFOR, AND ALL RIGHTS, RECEIVABLES AND CHATTEL PAPER DERIVED FROM OR EVIDENCING THE LEASE OR RENTAL THEREOF BY THE DEBTOR TO THIRD PARTIES, AND ALL PROCEEDS RELATING THERETO. PROCEEDS: ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY WHICH IS DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH OR DISPOSITION OF THE ABOVE-DESCRIBED COLLATERAL, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ALL INSURANCE AND OTHER PAYMENTS PAYABLE AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE THERETO AND ALL CHATTEL PAPER, DOCUMENTS OF TITLE, GOODS, INSTRUMENTS, INTANGIBLES, MONEY AND INVESTMENT PROPERTY.

	ONE (1) NEW 2015 AMI CRC380X CC PLANT C/W SWITCHGEAR AND ALL OTHER ATTACHMENTS AND ACCESSORIES ONE (1) MODEL MVP380X TEREX ROLLERCONE CRUSHER, SERIAL NUMBER: TRXR380EOKEL0708, ONE (1) MODEL LJ-TSV6203-32 TEREX SCREEN, SERIAL NUMBER: TRXV6203TDUEG1886, ONE (1) MODEL 380C6203CC-D06319 AMI CONE PLANT, SERIAL NUMBER: 2836-15.
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Registration No. (and amendments)	17070435369
Registration Type	SECURITY AGREEMENT
Registration Date	2017-Jul-04
Expiry	2022-Jul-04
Debtors	JMB CRUSHING SYSTEMS ULC
Secured Party	KOMATSU INTERNATIONAL (CANADA) INC.
Collateral: Serial Number Goods	10123 2014 KOMATSU WA470-7 MV - Motor Vehicle
Collateral: General	ALL PRESENT AND AFTER ACQUIRED ATTACHMENTS, ACCESSORIES, CONTROLS, MOTORS, INSTRUMENTS, SPARE PARTS, APPURTENANCES, MANUALS, MANUFACTURERS WARRANTIES AND OTHER EQUIPMENT ASSOCIATED WITH ANY OF THE VEHICLE COLLATERAL TOGETHER WITH ALL PROCEEDS FROM THE VEHICLE COLLATERAL THAT ARE GOODS, ACCOUNTS, NOTES, INSTRUMENTS, SECURITIES, TRADE-INS, CHATTEL PAPER, DOCUMENTS OF TITLE, CONTRACT RIGHTS, RENTAL PAYMENTS, INSURANCE PAYMENTS, INTANGIBLES AND OTHER PROPERTY OR OBLIGATIONS RECEIVED WHEN ANY OF THE SAID COLLATERAL IS SOLD, DEALT WITH OR OTHERWISE DISPOSED OF OR ANY PROCEEDS THERE FROM. TERMS USED HEREIN WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF ALBERTA SHALL HAVE THE MEANING ASCRIBED TO THEM IN SUCH ACT. WHEEL LOADER C/W 5.5 CYD GP BUCKET

Registration No. (and amendments)	17092021537
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Registration Type	SECURITY AGREEMENT
Registration Date	2017-Sep-20
Expiry	2023-Sep-20
Debtors	JMB CRUSHING SYSTEMS ULC
Secured Party	WELLS FARGO EQUIPMENT FINANCE
Collateral: Serial Number Goods	N/A
Collateral: General	ALL GOODS WHICH ARE PHOTOCOPIERS, MULTIFUNCTION DEVICES, PRINTERS, 3D PRINTERS, PRODUCTION PRINTERS, INDUSTRIAL INKJETS, DIGITAL PRESSES, FAX MACHINES, PROJECTORS, VIDEO CONFERENCING, INTERACTIVE WHITEBOARDS, SERVERS, AND SOFTWARE, OFFICE FURNITURE (CHAIRS, TABLES, ACCESSORIES), TELEPHONY, COMPUTERS, TELECONFERENCING EQUIPMENT, MAILING SYSTEMS, FOLDER INSERTERS. THE GOODS DESCRIBED HEREIN TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO, AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL OR PROCEEDS THEREOF, AND WITHOUT LIMITATION, MONEY, CHEQUES, DEPOSITS IN DEPOSIT-TAKING INSTITUTIONS, GOODS, ACCOUNTS RECEIVABLE, RENTS OR OTHER PAYMENTS ARISING FROM THE LEASE OF THE COLLATERAL, CHATTEL PAPER, INSTRUMENTS, INTANGIBLES, DOCUMENTS OF TITLE, SECURITIES, AND RIGHTS OF INSURANCE PAYMENTS OR ANY OTHER PAYMENTS AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL. (REFERENCE NO. 9938253-001) (FOR INTERNAL USE ONLY) (AS MAY BE AMENDED OR UPDATED FROM TIME TO TIME)

Registration No. (and amendments)	18061919118 (19031305041 amendment)
Registration Type	SECURITY AGREEMENT
Registration Date	2018-Jun-19
Expiry	2025-Jun-19

Debtors	JMB CRUSHING SYSTEMS ULC JMB CRUSHING SYSTEMS INC.
Secured Party	BANK OF MONTREAL
Collateral: Serial Number Goods	2MFB2R5C0GR008281 2016 Midland TW 2500 TR -Trailer 2MFB2R5D9JR008909 2018 Midland TW 3000 TR - Trailer
Collateral: General	<p>THE GOODS DESCRIBED HEREIN, WHEREVER SITUATED, AND ALL PRESENT AND AFTER-ACQUIRED INTELLECTUAL PROPERTY, INTANGIBLES, ATTACHMENTS, ACCESSORIES AND ACCESSIONS THERETO AND SPARE PARTS, REPLACEMENTS, SUBSTITUTIONS, EXCHANGES AND TRADE-INS THEREFOR, AND ALL RIGHTS, RECEIVABLES AND CHATTEL PAPER DERIVED FROM OR EVIDENCING THE LEASE OR RENTAL THEREOF BY THE DEBTOR TO THIRD PARTIES, AND ALL PROCEEDS RELATING THERETO.</p> <p>PROCEEDS- ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY WHICH IS DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH OR DISPOSITION OF THE ABOVE-DESCRIBED COLLATERAL, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ALL INSURANCE AND OTHER PAYMENTS PAYABLE AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE THERETO AND ALL CHATTEL PAPER, DOCUMENTS OF TITLE, GOODS, INSTRUMENTS, INTANGIBLES, MONEY AND SECURITIES.</p> <p>ONE (1) 2016 USED MIDLAND TW2500 SIDE DUMP LEAD, C/W AIR RIDE ABS, AUTO SLACK, LED LIGHTS, MICHELS ELECTRIC SIDE KICK TARP, 24.5 ALUMINUM WHEELS, LIFT AXLES AND ALL OTHER ATTACHMENTS AND ACCESSORIES, SERIAL NUMBER: 2MFB2R5C0GR008281;</p> <p>ONE (1) 2018 NEW MIDLAND TW3000 SIDE DUMP, C/W SILVER BODY AND BLACK CHASSIS, LIFT AXLES, ALUMINUM WHEELS AND ALL OTHER ATTACHMENTS AND ACCESSORIES, SERIAL NUMBER: 2MFB2R5D9JR008909;</p>

Registration No. (and amendments)	18061927079 (19031305277 amendment)
Registration Type	SECURITY AGREEMENT
Registration Date	2018-Jun-19
Expiry	2025-Jun-19

Debtors	JMB CRUSHING SYSTEMS ULC JMB CRUSHING SYSTEMS INC.
Secured Party	BANK OF MONTREAL
Collateral: Serial Number Goods	2MFB2R5C0JR008840 2018 Midland TW2500 TR – Trailer 2MFB2R5C1KR009089 2019 Midland TW2500 TR – Trailer 2MFB2R5CXKR009091 2019 Midland TW2500 TR- Trailer 2MFB2R5D7KR009090 2019 Midland TW3000 TR – Trailer 2MFB2R5D0KR009092 2019 Midland TW3000 TR – Trailer 2MFB2R5D5KR009072 2019 Midland TW3000 TR - Trailer
Collateral: General	<p>THE GOODS DESCRIBED HEREIN, WHEREVER SITUATED, AND ALL PRESENT AND AFTER-ACQUIRED INTELLECTUAL PROPERTY, INTANGIBLES, ATTACHMENTS, ACCESSORIES AND ACCESSIONS THERETO AND SPARE PARTS, REPLACEMENTS, SUBSTITUTIONS, EXCHANGES AND TRADE-INS THEREFOR, AND ALL RIGHTS, RECEIVABLES AND CHATTEL PAPER DERIVED FROM OR EVIDENCING THE LEASE OR RENTAL THEREOF BY THE DEBTOR TO THIRD PARTIES, AND ALL PROCEEDS RELATING THERETO.</p> <p>PROCEEDS- ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY WHICH IS DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH OR DISPOSITION OF THE ABOVE-DESCRIBED COLLATERAL, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ALL INSURANCE AND OTHER PAYMENTS PAYABLE AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE THERETO AND ALL CHATTEL PAPER, DOCUMENTS OF TITLE, GOODS, INSTRUMENTS, INTANGIBLES, MONEY AND SECURITIES.</p> <p>ONE (1) 2019 NEW MIDLAND TW2500 MIDLAND SIDE DUMP LEAD C/W AIR RIDE, ABS, AUTO SLACK, LED LIGHTS, MICHELS ELECTRIC SIDE KICK TARP, 24.5 (4) ALUMINUM AND (4) STEEL WHEELS, SERIAL NUMBER: 2MFB2R5C1KR009089; ONE (1) 2019 NEW MIDLAND TW3000 MIDLAND SIDE DUMP PUP, C/W AIR RIDE, ABS, AUTO SLACK, LED LIGHTS, MICHELS ELECTRIC SIDE KICK TARP, 24.5 (6) ALUMINUM AND (6) STEEL WHEELS, SERIAL NUMBER: 2MFB2R5D7KR009090; ONE (1) 2019 NEW MIDLAND TW2500 MIDLAND SIDE DUMP LEAD C/W AIR RIDE, ABS, AUTO SLACK, LED LIGHTS, MICHELS ELECTRIC SIDE KICK TARP, 24.5 (4) ALUMINUM AND (4) STEEL WHEELS, SERIAL NUMBER: 2MFB2R5CXKR009091; ONE (1) 2019 NEW MIDLAND TW3000 MIDLAND SIDE DUMP PUP, C/W AIR RIDE, ABS, AUTO SLACK, LED LIGHTS, MICHELS ELECTRIC SIDE KICK TARP, 24.5 (6) ALUMINUM AND (6) STEEL WHEELS, SERIAL NUMBER: 2MFB2R5D0KR009092; ONE (1) 2018 NEW MIDLAND TW2500 SIDE DUMP LEAD, C/W AIR RIDE, ABS, AUTO SLACK, LED LIGHTS, MICHELS ELECTRIC SIDE KICK TARP,</p>

	WATERPROOF WIND DEFLECTOR, VINYL SEALS OVER HOOD, 24.5 WHITE STEEL WHEELS, SERIAL NUMBER: 2MFB2R5C0JR008840; ONE (1) 2019 NEW MIDLAND SIDE DUMP PUP, C/W AIR RIDE, ABS, AUTO SLACK, LED LIGHTS, MICHELS ELECTRIC SIDE KICK TARP, 24.5 WHITE STEEL WHEELS, SERIAL NUMBER: 2MFB2R5D5KR009072.
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Registration No. (and amendments)	18062002625 (18112724269 amendment; 19121706478 amendment; 20031325642 amendment)
Registration Type	SECURITY AGREEMENT
Registration Date	2018-Jun-20
Expiry	2028-Jun-20
Debtors	JMB CRUSHING SYSTEMS ULC JMB CRUSHING SYSTEMS INC.
Secured Party	FIERA PRIVATE DEBT FUND V LP, AS COLLATERAL AGENT
Collateral: Serial Number Goods	99 x serial number registrations deleted by amendment 19121706478 294 x serial number registrations for motor vehicles current by amendments 19121706478 and 20031325642 - Registrations include Komatsu, Ford F-150, Caterpillar, Peterbilt etc.
Collateral: General	N/A

Registration No. (and amendments)	18062004039 (19031305397 amendment)
Registration Type	SECURITY AGREEMENT
Registration Date	2018-Jun-20
Expiry	2025-Jun-20
Debtors	JMB CRUSHING SYSTEMS ULC

	JMB CRUSHING SYSTEMS INC.
Secured Party	BANK OF MONTREAL
Collateral: Serial Number Goods	2MFB2R5C3KR009028 2019 Midland TW2500 TR – Trailer 2MFB2R5D3KR009099 2019 Midland TW3000 TR - Trailer
Collateral: General	<p>THE GOODS DESCRIBED HEREIN, WHEREVER SITUATED, AND ALL PRESENT AND AFTER-ACQUIRED INTELLECTUAL PROPERTY, INTANGIBLES, ATTACHMENTS, ACCESSORIES AND ACCESSIONS THERETO AND SPARE PARTS, REPLACEMENTS, SUBSTITUTIONS, EXCHANGES AND TRADE-INS THEREFOR, AND ALL RIGHTS, RECEIVABLES AND CHATTEL PAPER DERIVED FROM OR EVIDENCING THE LEASE OR RENTAL THEREOF BY THE DEBTOR TO THIRD PARTIES, AND ALL PROCEEDS RELATING THERETO.</p> <p>PROCEEDS- ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY WHICH IS DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH OR DISPOSITION OF THE ABOVE-DESCRIBED COLLATERAL, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ALL INSURANCE AND OTHER PAYMENTS PAYABLE AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE THERETO AND ALL CHATTEL PAPER, DOCUMENTS OF TITLE, GOODS, INSTRUMENTS, INTANGIBLES, MONEY AND SECURITIES.</p> <p>ONE (1) 2019 NEW MIDLAND TW2500 SIDE DUMP LEAD, C/W AIR RIDE, ABS, AUTO SLACK, LED LIGHTS, MICHELS ELECTRIC SIDE KICK TARP, 24.5 WHITE STEEL WHEELS, SERIAL NUMBER: 2MFB2R5C3KR009028;</p> <p>ONE (1) 2019 NEW MIDLAND TW3000 SIDE DUMP PUP , C/W AIR RIDE, ABS, AUTO SLACK, LED LIGHTS, MICHELS ELECTRIC SIDE KICK TARP, 24.5 WHITE STEEL WHEELS, SERIAL NUMBER: 2MFB2R5D3KR009099.</p>

Registration No. (and amendments)	18062008811 (18062206234 amendment; 19031305473 amendment)
Registration Type	SECURITY AGREEMENT
Registration Date	2018-Jun-20
Expiry	2025-Jun-20
Debtors	JMB CRUSHING SYSTEMS ULC JMB CRUSHING SYSTEMS INC.



Secured Party	BANK OF MONTREAL
Collateral: Serial Number Goods	6 x Peterbilt 567 Motor Vehicle registrations
Collateral: General	<p>THE GOODS DESCRIBED HEREIN, WHEREVER SITUATED, AND ALL PRESENT AND AFTER-ACQUIRED INTELLECTUAL PROPERTY, INTANGIBLES, ATTACHMENTS, ACCESSORIES AND ACCESSIONS THERETO AND SPARE PARTS, REPLACEMENTS, SUBSTITUTIONS, EXCHANGES AND TRADE-INS THEREFOR, AND ALL RIGHTS, RECEIVABLES AND CHATTEL PAPER DERIVED FROM OR EVIDENCING THE LEASE OR RENTAL THEREOF BY THE DEBTOR TO THIRD PARTIES, AND ALL PROCEEDS RELATING THERETO.</p> <p>PROCEEDS- ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY WHICH IS DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH OR DISPOSITION OF THE ABOVE-DESCRIBED COLLATERAL, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ALL INSURANCE AND OTHER PAYMENTS PAYABLE AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE THERETO AND ALL CHATTEL PAPER, DOCUMENTS OF TITLE, GOODS, INSTRUMENTS, INTANGIBLES, MONEY AND SECURITIES.</p> <p>FIVE (5) NEW 2019 567 PETERBILT TANDEM TRUCKS C/W WETKITS, AS PER QUOTE, SUPPLY AND INSTALL HOTSHIFT PTO, DUMP PUMP, AIRBAG/TAILGATE SWITCHES, TWO POWER TARP CONTROLS, LARGE CONSOLE BETWEEN DRIVER/PASSENGER SEAT, DUAL AIR GAUGE IN BATTERY BOX, TARP SOLENOIDS IN BATTERY BOX, TARP BREAKERS IN BATTERY BOX, 50 GALLON UPRIGHT HYDRAULIC TANK ALL ATTACHMENTS AND ACCESSORIES, SERIAL NUMBERS: 1XPCDP0X5KD605763, 1XPCDP0X3KD605762, 1XPCDP0X1KD605761, 1XPCDP0XXKD605760, 1XPCDP0X3KD605759.</p>

Registration No. (and amendments)	18062130904 (19031305642 amendment)
Registration Type	SECURITY AGREEMENT
Registration Date	2018-Jun-21
Expiry	2025-Jun-21
Debtors	JMB CRUSHING SYSTEMS ULC JMB CRUSHING SYSTEMS INC.

Secured Party	BANK OF MONTREAL
Collateral: Serial Number Goods	5 x Peterbilt 567 Motor Vehicle registrations 5 x Arnes Quad Wagon Trailer registrations
Collateral: General	<p>THE GOODS DESCRIBED HEREIN, WHEREVER SITUATED, AND ALL PRESENT AND AFTER-ACQUIRED INTELLECTUAL PROPERTY, INTANGIBLES, ATTACHMENTS, ACCESSORIES AND ACCESSIONS THERETO AND SPARE PARTS, REPLACEMENTS, SUBSTITUTIONS, EXCHANGES AND TRADE-INS THEREFOR, AND ALL RIGHTS, RECEIVABLES AND CHATTEL PAPER DERIVED FROM OR EVIDENCING THE LEASE OR RENTAL THEREOF BY THE DEBTOR TO THIRD PARTIES, AND ALL PROCEEDS RELATING THERETO.</p> <p>PROCEEDS- ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY WHICH IS DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH OR DISPOSITION OF THE ABOVE-DESCRIBED COLLATERAL, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ALL INSURANCE AND OTHER PAYMENTS PAYABLE AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE THERETO AND ALL CHATTEL PAPER, DOCUMENTS OF TITLE, GOODS, INSTRUMENTS, INTANGIBLES, MONEY AND SECURITIES.</p> <p>ONE (1) NEW 2019 567 PETERBILT TRUCK, SERIAL NUMBER: 1NPCXPEXXKD605770, C/W ONE (1) NEW 2019 ARNES 19 TRUCK BOX TUB, SERIAL NUMBER: 89564;</p> <p>ONE (1) NEW 2019 567 PETERBILT TRUCK, SERIAL NUMBER: 1NPCXPEX1KD605771, C/W ONE (1) NEW 2019 ARNES 19 TRUCK BOX TUB, SERIAL NUMBER: 89565;</p> <p>ONE (1) NEW 2019 567 PETERBILT TRUCK, SERIAL NUMBER: 1NPCXPEX3KD605769, C/W ONE (1) NEW 2019 ARNES 19 TRUCK BOX TUB, SERIAL NUMBER: 89566;</p> <p>ONE (1) NEW 2019 567 PETERBILT TRUCK, SERIAL NUMBER: 1NPCXPEX3KD605772, C/W ONE (1) NEW 2019 ARNES 19 TRUCK BOX TUB, SERIAL NUMBER: 89567;</p> <p>ONE (1) NEW 2019 567 PETERBILT TRUCK, SERIAL NUMBER: 1NPCXPEX5KD605773, C/W ONE (1) NEW 2019 ARNES 19 TRUCK BOX TUB, SERIAL NUMBER: 89568;</p> <p>FIVE (5) NEW 2019 ARNES QUAD WAGON TRAILERS C/W ALL ATTACHMENTS AND ACCESSORIES, SERIAL NUMBERS: 2A9214341KA003559, 2A9214348KA003560, 2A9214341KA003561, 2A9214341KA003562, 2A9214343KA003563.</p>

Registration No. (and amendments)	18081404785 (19032525430 amendment)		
Registration Type	SECURITY AGREEMENT		
Registration Date	2018-Aug-14		
Expiry	2023-Aug-14		
Debtors	JMB CRUSHING SYSTEMS ULC JMB CRUSHING SYSTEMS INC.		
Secured Party	FORD CREDIT CANADA COMPANY		
Collateral: Serial Number Goods	1FTFW1EF9FFC07990	2015 FORD F150	MV - Motor Vehicle
Collateral: General	N/A		

Registration No. (and amendments)	18081404795 (19032525383 amendment)		
Registration Type	SECURITY AGREEMENT		
Registration Date	2018-Aug-14		
Expiry	2023-Aug-14		
Debtors	JMB CRUSHING SYSTEMS INC.		
Secured Party	FORD CREDIT CANADA COMPANY		
Collateral: Serial Number Goods	1FTFW1EF3FFC07984	2015 FORD F150	MV - Motor Vehicle
Collateral: General	N/A		

Registration No. (and amendments)	18081404853 (19032524067 amendment)
Registration Type	SECURITY AGREEMENT
Registration Date	2018-Aug-14
Expiry	2023-Aug-14
Debtors	JMB CRUSHING SYSTEMS INC.
Secured Party	FORD CREDIT CANADA COMPANY
Collateral: Serial Number Goods	1FTFW1EF0FFC07988 2015 FORD F150 MV - Motor Vehicle
Collateral: General	N/A

Registration No. (and amendments)	18081404885 (19032521689 amendment)
Registration Type	SECURITY AGREEMENT
Registration Date	2018-Aug-14
Expiry	2023-Aug-14
Debtors	JMB CRUSHING SYSTEMS INC.
Secured Party	FORD CREDIT CANADA COMPANY
Collateral: Serial Number Goods	1FTFW1EF7FFC07986 2015 FORD F150 MV - Motor Vehicle
Collateral: General	N/A

Registration No. (and amendments)	18081405021 (19032525488 amendment)
Registration Type	SECURITY AGREEMENT
Registration Date	2018-Aug-14
Expiry	2023-Aug-14
Debtors	JMB CRUSHING SYSTEMS INC.
Secured Party	FORD CREDIT CANADA COMPANY
Collateral: Serial Number Goods	1FTFW1EF0FFC07991 2015 FORD F150 MV - Motor Vehicle
Collateral: General	N/A

Registration No. (and amendments)	18083014956 (19032525503 amendment)
Registration Type	SECURITY AGREEMENT
Registration Date	2018-Aug-30
Expiry	2021-Aug-30
Debtors	JMB CRUSHING SYSTEMS INC.
Secured Party	FORD CREDIT CANADA LEASING, DIVISION OF CANADIAN ROAD LEASING
Collateral: Serial Number Goods	1FTEW1EG7JFC34831 2018 FORD F150 MV - Motor Vehicle
Collateral: General	N/A

Registration No. (and amendments)	18123113130
Registration Type	SECURITY AGREEMENT
Registration Date	2018-Dec-31
Expiry	2024-Dec-31
Debtors	JMB CRUSHING SYSTEMS INC. (2 addresses)
Secured Party	CATERPILLAR FINANCIAL SERVICES LIMITED
Collateral: Serial Number Goods	CAT0980MCKRS01308 2016 CATERPILLAR 980M MV - Motor Vehicle
Collateral: General	ONE (1) CATERPILLAR 980M MEDIUM WHEEL LOADER C/W GENERAL PURPOSE BUCKET TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL. PROCEEDS MEANS GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

Registration No. (and amendments)	18123113171
Registration Type	SECURITY AGREEMENT
Registration Date	2018-Dec-31
Expiry	2021-Dec-31
Debtors	JMB CRUSHING SYSTEMS INC. (2 addresses)
Secured Party	CATERPILLAR FINANCIAL SERVICES LIMITED

Collateral: Serial Number Goods	CAT0246DLBYF00587 2014 Caterpillar 246D MV – Motor Vehicle CAT0246DTBYF02460 2016 Caterpillar 246D MV – Motor Vehicle
Collateral: General	ONE (1) CATERPILLAR 246D SKID STEER LOADER C/W GENERAL PURPOSE BUCKET ONE(1) CATERPILLAR 246D SKID STEER LOADER C/W GENERAL PURPOSE BUCKET TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVE MENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL. PROCEEDS MEANS GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

Registration No. (and amendments)	19031217823
Registration Type	SECURITY AGREEMENT
Registration Date	2019-Mar-12
Expiry	2025-Mar-12
Debtors	JMB CRUSHING SYSTEMS INC. (2 addresses)
Secured Party	VFS CANADA INC.
Collateral: Serial Number Goods	VCCEL220HL00002736 2017 VOLVO L220H MV - Motor Vehicle
Collateral: General	2017 VOLVO L220H S/N VCCEL220HL00002736 ENGINE S/N 738385, C/W VOLVO 7.4 YD BUCKET S/N 3028660. THE SERIAL NUMBER GOODS DESCRIBED ABOVE TOGETHER WITH (1) ALL PRESENT AND AFTER-ACQUIRED PARTS, ACCESSIONS, ATTACHMENTS AND REPLACEMENTS THERETO; AND (2) PROCEEDS: ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY

Registration No. (and amendments)	19042328039
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Registration Type	SECURITY AGREEMENT
Registration Date	2019-Apr-23
Expiry	2022-Apr-23
Debtors	JMB CRUSHING SYSTEMS ULC
Secured Party	KALINKO ENTERPRISES LTD. KALINSKI, TIM BRENNAN, JESSICA KALINSKI, MATTHEW KALINSKI, ZACHARIAH KALINSKI, ELISHA
Collateral: Serial Number Goods	N/A
Collateral: General	All alluvial sand and gravel material extracted from the Leased Lands pursuant to the SM Leases wherever situated.

Registration No. (and amendments)	19042910824
Registration Type	SECURITY AGREEMENT
Registration Date	2019-Apr-29
Expiry	2022-Apr-29
Debtors	JMB CRUSHING SYSTEMS INC.
Secured Party	FORD CREDIT CANADA LEASING, DIVISION OF CANADIAN ROAD LEASING COMPANY
Collateral: Serial Number Goods	1FTFW1E53KFA45940 2019 FORD F150 MV - Motor Vehicle
Collateral: General	N/A

Registration No. (and amendments)	19051033925
Registration Type	SECURITY AGREEMENT
Registration Date	2019-May-10
Expiry	2024-May-10
Debtors	JMB CRUSHING SYSTEMS INC.
Secured Party	CANADIAN WESTERN BANK LEASING INC. - BROKER BUYING CENTRE
Collateral: Serial Number Goods	1S9SS3735CL476517 2012 Smith-Co Super B Lead TR-Trailer 1S9SS2929CL476518 2012 Smith-Co Super B Pup TR-Trailer M6028ERC12CJS 2012 Elrus 20X54 Screen TR - Trailer M7102ERC18SC 2018 Elrus 6x20 Screen TR - Trailer
Collateral: General	ONE (1) 2012 SMITH-CO SUPER B SIDE DUMP TRAILER LEAD SN: 1S9SS3735CL476517, PUP SN: 1S9SS2929CL476518 ONE (1) 2012 ELRUS HEAVY DUTY 20X54 JAW SCREEN PLANT E00003070 SN: M6028ERC12CJS ONE (1) 2018 ELRUS 6X20 2 DECK SCREEN @13 DEGREES-332 SERIES A00002869 SN: M7102ERC18SC ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY THAT RESULTS FROM THE SALE, DISPOSITION OR OTHER DEALINGS WITH THE COLLATERAL DESCRIBED ABOVE OR THE PROCEEDS THEREFROM INCLUDING ALL ADDITIONS, SUBSTITUTIONS AND REPLACEMENTS AND AMOUNTS OWING THEREUNDER.

Registration No. (and amendments)	19053027125 (19110539628 amendment)
Registration Type	SECURITY AGREEMENT
Registration Date	2019-May-30
Expiry	2024-May-30

Debtors	JMB CRUSHING SYSTEMS INC.
Secured Party	KOMATSU INTERNATIONAL (CANADA) INC.
Collateral: Serial Number Goods	A96809 2019 KOMATSU WA500-8 MV - Motor Vehicle
Collateral: General	<p>ALL PRESENT AND AFTER ACQUIRED ATTACHMENTS, ACCESSORIES, CONTROLS, MOTORS, INSTRUMENTS, SPARE PARTS, APPURTENANCES, MANUALS, MANUFACTURERS WARRANTIES AND OTHER EQUIPMENT ASSOCIATED WITH ANY OF THE VEHICLE COLLATERAL TOGETHER WITH ALL PROCEEDS FROM THE VEHICLE COLLATERAL THAT ARE GOODS, ACCOUNTS, NOTES, INSTRUMENTS, SECURITIES, TRADE-INS, CHATTEL PAPER, DOCUMENTS OF TITLE, CONTRACT RIGHTS, RENTAL PAYMENTS, INSURANCE PAYMENTS, INTANGIBLES AND OTHER PROPERTY OR OBLIGATIONS RECEIVED WHEN ANY OF THE SAID COLLATERAL IS SOLD, DEALT WITH OR OTHERWISE DISPOSED OF OR ANY PROCEEDS THERE FROM. TERMS USED HEREIN WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF ALBERTA SHALL HAVE THE MEANING ASCRIBED TO THEM IN SUCH ACT.</p> <p>HENSLEY 7.5 CY SPADE NOSE BUCKET S/N 85680</p>

Registration No. (and amendments)	19062617313
Registration Type	SECURITY AGREEMENT
Registration Date	2019-Jun-26
Expiry	2020-Jun-26
Debtors	JMB CRUSHING SYSTEMS INC. (2 addresses)
Secured Party	STRONGCO LIMITED PARTNERSHIP
Collateral: Serial Number Goods	VCE0A40GC00352008 2019 VOLVO A40G ARTICULATED HA MV - Motor Vehicle
Collateral: General	N/A

Registration No. (and amendments)	19062617884
Registration Type	SECURITY AGREEMENT
Registration Date	2019-Jun-26
Expiry	2020-Jun-26
Debtors	JMB CRUSHING SYSTEMS INC. (2 addresses)
Secured Party	STRONGCO LIMITED PARTNERSHIP
Collateral: Serial Number Goods	VCEC480EJ00311233 2019 VOLVO EC480EL EXCAVATOR MV - Motor Vehicle
Collateral: General	N/A

Registration No. (and amendments)	19062618801
Registration Type	SECURITY AGREEMENT
Registration Date	2019-Jun-26
Expiry	2020-Jun-26
Debtors	JMB CRUSHING SYSTEMS INC. (2 addresses)
Secured Party	STRONGCO LIMITED PARTNERSHIP
Collateral: Serial Number Goods	VCE0A40GT00342483 2018 VOLVO A40G ARTICULATED HA MV - Motor Vehicle
Collateral: General	N/A

Registration No. (and amendments)	19081325781 (19110539320 amendment)
Registration Type	SECURITY AGREEMENT
Registration Date	2019-Aug-13
Expiry	2024-Aug-13
Debtors	JMB CRUSHING SYSTEMS INC. (2 addresses)
Secured Party	KOMATSU INTERNATIONAL (CANADA) INC.
Collateral: Serial Number Goods	A42247 2019 KOMATSU PC490LC-11 MV - Motor Vehicle
Collateral: General	<p>ALL PRESENT AND AFTER ACQUIRED ATTACHMENTS, ACCESSORIES, CONTROLS, MOTORS, INSTRUMENTS, SPARE PARTS, APPURTENANCES, MANUALS, MANUFACTURERS WARRANTIES AND OTHER EQUIPMENT ASSOCIATED WITH ANY OF THE VEHICLE COLLATERAL TOGETHER WITH ALL PROCEEDS FROM THE VEHICLE COLLATERAL THAT ARE GOODS, ACCOUNTS, NOTES, INSTRUMENTS, SECURITIES, TRADE-INS, CHATTEL PAPER, DOCUMENTS OF TITLE, CONTRACT RIGHTS, RENTAL PAYMENTS, INSURANCE PAYMENTS, INTANGIBLES AND OTHER PROPERTY OR OBLIGATIONS RECEIVED WHEN ANY OF THE SAID COLLATERAL IS SOLD, DEALT WITH OR OTHERWISE DISPOSED OF OR ANY PROCEEDS THERE FROM. TERMS USED HEREIN WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF ALBERTA SHALL HAVE THE MEANING ASCRIBED TO THEM IN SUCH ACT.</p> <p>WB 54" DIG BUCKET S/N 3W73620-1, WB 84" CLEAN UP BUCKET S/N 3W73619-1 AND WB MANUAL COUPLER S/N 3W73621-1.</p>

Registration No. (and amendments)	19081411973
Registration Type	SECURITY AGREEMENT
Registration Date	2019-Aug-14
Expiry	2020-Aug-14

Debtors	JMB CRUSHING SYSTEMS INC. (2 addresses)
Secured Party	SMS EQUIPMENT INC.
Collateral: Serial Number Goods	80234 2019 KOMATSU WA600-8 MV - Motor Vehicle
Collateral: General	ALL PRESENT AND AFTER ACQUIRED ATTACHMENTS, ACCESSORIES, CONTROLS, MOTORS, INSTRUMENTS, SPARE PARTS, APPURTENANCES, MANUALS, MANUFACTURERS WARRANTIES AND OTHER EQUIPMENT ASSOCIATED WITH ANY OF THE VEHICLE COLLATERAL TOGETHER WITH ALL PROCEEDS FROM THE VEHICLE COLLATERAL THAT ARE GOODS, ACCOUNTS, NOTES, INSTRUMENTS, SECURITIES, TRADE-INS, CHATTEL PAPER, DOCUMENTS OF TITLE, CONTRACT RIGHTS, RENTAL PAYMENTS, INSURANCE PAYMENTS, INTANGIBLES AND OTHER PROPERTY OR OBLIGATIONS RECEIVED WHEN ANY OF THE SAID COLLATERAL IS SOLD, DEALT WITH OR OTHERWISE DISPOSED OF OR ANY PROCEEDS THERE FROM. TERMS USED HEREIN WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF ALBERTA SHALL HAVE THE MEANING ASCRIBED TO THEM IN SUCH ACT.

Registration No. (and amendments)	19091224700
Registration Type	SECURITY AGREEMENT
Registration Date	2019-Sep-12
Expiry	2022-Sep-12
Debtors	JMB CRUSHING SYSTEMS INC. (2 addresses)
Secured Party	ENTERPRISE FLEET MANAGEMENT CANADA, INC
Collateral: Serial Number Goods	1FTFW1E52KFC66669 2019 FORD F-150 MV - Motor Vehicle
Collateral: General	N/A

Registration No. (and amendments)	19093036846		
Registration Type	GARAGE KEEPERS' LIEN		
Registration Date	2019-Sep-30		
Expiry	2020-Mar-30		
Debtors	JMB CRUSHING SYSTEMS LTD. (2 addresses)		
Secured Party	STAHL PETERBILT INC.		
Collateral: Serial Number Goods	1XPCDP0X3FD284571 Vehicle	2015 PETERBILT 567	MV - Motor
Collateral: General	N/A		

Registration No. (and amendments)	19110616329		
Registration Type	GARAGE KEEPERS' LIEN		
Registration Date	2019-Nov-06		
Expiry	2020-May-06		
Debtors	JMB CRUSHING SYSTEMS		
Secured Party	FOUNTAIN TIRE (BONNYVILLE) LTD.		
Collateral: Serial Number Goods	VCEL220F800006937 Vehicle	2009 VOLVO LOADER	MV - Motor
Collateral: General	N/A		



Registration No. (and amendments)	19120331159		
Registration Type	GARAGE KEEPERS' LIEN		
Registration Date	2019-Dec-03		
Expiry	2020-Jun-03		
Debtors	JMB CRUSHING SYSTEMS LTD. (2 addresses)		
Secured Party	STAHL PETERBILT INC.		
Collateral: Serial Number Goods	1XPCDP0X7FD284573 Vehicle	2015 PETERBILT 567	MV - Motor
Collateral: General	N/A		

Registration No. (and amendments)	20020714127		
Registration Type	GARAGE KEEPERS' LIEN		
Registration Date	2020-Feb-07		
Expiry	2020-Aug-07		
Debtors	JMB CRUSHING SYSTEMS ULC		
Secured Party	EDMONTON KENWORTH LTD.		
Collateral: Serial Number Goods	1XKDP40X49R941482 Vehicle	2009 KENWORTH T800	MV - Motor
Collateral: General	N/A		

Registration No. (and amendments)	20030337756		
Registration Type	GARAGE KEEPERS' LIEN		
Registration Date	2020-Mar-03		
Expiry	2020-Sep-03		
Debtors	JMB CRUSHING SYSTEMS ULC		
Secured Party	EDMONTON KENWORTH LTD.		
Collateral: Serial Number Goods	1XPCDP0X1FD284570	2014 Peterbilt 367	MV - Motor Vehicle
Collateral: General	N/A		

Registration No. (and amendments)	20030431799		
Registration Type	GARAGE KEEPERS' LIEN		
Registration Date	2020-Mar-04		
Expiry	2020-Sep-04		
Debtors	JMB CRUSHING SYSTEMS ULC		
Secured Party	EDMONTON KENWORTH LTD.		
Collateral: Serial Number Goods	1XPCDP0X1FD284570	2014 PETERBILT 367	MV - Motor Vehicle
Collateral: General	N/A		

Registration No. (and amendments)	20030924876		
Registration Type	GARAGE KEEPERS' LIEN		
Registration Date	2020-Mar-09		
Expiry	2020-Sep-09		
Debtors	JMB CRUSHING SYSTEMS ULC		
Secured Party	EDMONTON KENWORTH LTD.		
Collateral: Serial Number Goods	1XPCDP0X1FD284570	2014 PETERBILT 367	MV - Motor Vehicle
Collateral: General	N/A		

Registration No. (and amendments)	20031623522		
Registration Type	LAND CHARGE		
Registration Date	2020-Mar-16		
Expiry	Infinity		
Debtors	JMB CRUSHING SYSTEMS Inc. 2161889 Alberta Ltd. Eastside Rock Products, Inc.		
Secured Party	FIERA PRIVATE DEBT FUND V LP, AS COLLATERAL AGENT		
Collateral: Serial Number Goods	N/A		
Collateral: General	N/A		

Registration No. (and amendments)	20031734157		
Registration Type	GARAGE KEEPERS' LIEN		
Registration Date	2020-Mar-17		
Expiry	2020-Sep-17		
Debtors	JMB CRUSHING SYSTEMS INC.		
Secured Party	EDMONTON KENWORTH LTD		
Collateral: Serial Number Goods	1XPCDP0X5FD284572	2014 PETERBILT 367	MV - Motor
Collateral: General	N/A		

Registration No. (and amendments)	20032024485		
Registration Type	SECURITY AGREEMENT		
Registration Date	2020-Mar-20		
Expiry	2030-Mar-20		
Debtors	JMB CRUSHING SYSTEMS INC. EASTSIDE ROCK PRODUCTS, INC. 2161889 ALBERTA LTD.		
Secured Party	CANADIAN AGGREGATE RESOURCE CORPORATION		
Collateral: Serial Number Goods	N/A		
Collateral: General	All present and after-acquired personal property of the Debtor.		



Registration No. (and amendments)	20032024584
Registration Type	LAND CHARGE
Registration Date	2020-Mar-20
Expiry	Infinity
Debtors	JMB CRUSHING SYSTEMS INC. EASTSIDE ROCK PRODUCTS, INC. 2161889 ALBERTA LTD.
Secured Party	CANADIAN AGGREGATE RESOURCE CORPORATION
Collateral: Serial Number Goods	N/A
Collateral: General	N/A

Registration No. (and amendments)	20032520940
Registration Type	GARAGE KEEPERS' LIEN
Registration Date	2020-Mar-25
Expiry	2020-Sep-25
Debtors	JMB CRUSHING SYSTEMS ULC
Secured Party	EDMONTON KENWORTH LTD
Collateral: Serial Number Goods	1XPCDP0X5FD284569 2014 PETERBILT 367 MV - Motor Vehicle
Collateral: General	N/A

Registration No. (and amendments)	20033116438		
Registration Type	GARAGE KEEPERS' LIEN		
Registration Date	2020-Mar-31		
Expiry	2020-Oct-01		
Debtors	JMB CRUSHING SYSTEMS ULC		
Secured Party	EDMONTON KENWORTH LTD		
Collateral: Serial Number Goods	1XPCDP0X1FD284567 Vehicle	2015 PETERBILT 367	MV - Motor
Collateral: General	N/A		

2. British Columbia Personal Property Registry

A business debtor search of the British Columbia Personal Property Registry dated April 6, 2020 revealed the following registrations against JMB Crushing:

Registration No. (and amendments)	928324J (956720L amendment)		
Registration Type	SECURITY AGREEMENT		
Registration Date	2017-Apr-07		
Expiry	2027-Apr-07		
Debtors	JMB CRUSHING SYSTEMS INC. EASTSIDE ROCK PRODUCTS INC.		
Secured Party	FIERA PRIVATE DEBT FUND V LP, AS COLLATERAL AGENT		
Collateral: Serial Number Goods	N/A		

Collateral: General	ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTORS.
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Registration No. (and amendments)	154154L (255477L amendment)
Registration Type	SECURITY AGREEMENT
Registration Date	2018-Nov-15
Expiry	2023-Nov-15
Debtors	JMB CRUSHING SYSTEMS ULC JMB CRUSHING SYSTEMS Inc.
Secured Party	ATB FINANCIAL
Collateral: Serial Number Goods	N/A
Collateral: General	ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTORS.

Registration No. (and amendments)	176825L (956752L amendment)
Registration Type	SECURITY AGREEMENT
Registration Date	2018-Nov-27
Expiry	2028-Nov-27
Debtors	JMB CRUSHING SYSTEMS Inc.
Secured Party	FIERA PRIVATE DEBT FUND V LP, AS COLLATERAL AGENT FIERA PRIVATE DEBT FUND GP INC
Collateral: Serial Number Goods	N/A

Collateral: General	ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR AND, WITHOUT LIMITATION, ALL FIXTURES, CROPS, AND LICENCES.
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Registration No. (and amendments)	216802L
Registration Type	SECURITY AGREEMENT
Registration Date	2018-Dec-18
Expiry	2023-Dec-18
Debtors	JMB CRUSHING SYSTEMS INC.
Secured Party	CATERPILLAR FINANCIAL SERVICES LIMITED
Collateral: Serial Number Goods	V0001 MV CATOOD8TEMLN01555 2012 CATERPILLAR D8T
Collateral: General	ONE (1) CATERPILLAR D8T TRACK TYPE TRACTOR S/N CATOOD8TEMLN01555 TOGETHER WITH ALL ACCESSORIES AND PROCEEDS INCLUDING GOODS, DOCUMENTS OF TITLE, CHATTEL PAPER, SECURITY, INSTRUMENTS, MONEY OR INTANGIBLES OR ANY OTHER PERSONAL PROPERTY RECEIVED WHEN SUCH COLLATERAL OR PROCEEDS ARE SOLD, COLLECTED, DEALT WITH OR OTHERWISE DISPOSED OF. THE FULL ADDRESS OF THE DEBTOR IS : SUITE 2600, THREE BENTALL CENTRE. 595 BURNARD STREET

Registration No. (and amendments)	217242L
Registration Type	SECURITY AGREEMENT
Registration Date	2018-Dec-18
Expiry	2023-Dec-18
Debtors	JMB CRUSHING SYSTEMS Inc.

Secured Party	CATERPILLAR FINANCIAL SERVICES LIMITED
Collateral: Serial Number Goods	V0001 MV CAT0140MHD9G01333 2012 CATERPILLAR 140MAWD
Collateral: General	ONE (1) 2012 CATERPILLAR 140MAWD TRACK TYPE TRACTOR S/N CAT0140MHD9G01333 TOGETHER WITH ALL ACCESSORIES AND PROCEEDS INCLUDING GOODS, DOCUMENTS OF TITLE, CHATTEL PAPER, SECURITY, INSTRUCMENTS, MONEY OR INTANGIBLES OR ANY OTHER PERSONAL PROPERTY RECEIVED WHEN SUCH COLLATERAL OR PROCEEDS ARE SOLD, COLLECTED, DEALT WITH OR OTHERWISE DISPOSED OF. CUSTOMER ADDRESS: SUITE 2600, THREE BENTALL CENTRE. 595 BURRARD STREET

Registration No. (and amendments)	217257L
Registration Type	SECURITY AGREEMENT
Registration Date	2018-Dec-18
Expiry	2023-Dec-18
Debtors	JMB CRUSHING SYSTEMS Inc.
Secured Party	CATERPILLAR FINANCIAL SERVICES LIMITED
Collateral: Serial Number Goods	V0001 MV CAT0140MAD9G01331 2012 CATERPILLAR 140MAWD
Collateral: General	ONE (1) CATERPILLAR 140MAWD MOTOR GRADER S/N CAT0140MAD9G01331 TOGETHER WITH ALL ACCESSORIES AND PROCEEDS INCLUDING GOODS, DOCUMENTS OF TITLE, CHATTEL PAPER, SECURITY, INSTRUCMENTS, MONEY OR INTANGIBLES OR ANY OTHER PERSONAL PROPERTY RECEIVED WHEN SUCH COLLATERAL OR PROCEEDS ARE SOLD, COLLECTED, DEALT WITH OR OTHERWISE DISPOSED OF. CUSTOMER ADDRESS: SUITE 2600, THREE BENTALL CENTRE. 595 BURRARD STREET



Registration No. (and amendments)	217342L
Registration Type	SECURITY AGREEMENT
Registration Date	2018-Dec-18
Expiry	2023-Dec-18
Debtors	JMB CRUSHING SYSTEMS Inc.
Secured Party	CATERPILLAR FINANCIAL SERVICES LIMITED
Collateral: Serial Number Goods	V0001 MV CAT0140MVD9G01330 2012 CATERPILLAR 140MAWD
Collateral: General	ONE (1) 2012 CATERPILLAR 140MAWD MOTOR GRADER S/N CAT0140MVD9G01330 TOGETHER WITH ALL ACCESSORIES AND PROCEEDS INCLUDING GOODS, DOCUMENTS OF TITLE, CHATTEL PAPER, SECURITY, INSTRUMENTS, MONEY OR INTANGIBLES OR ANY OTHER PERSONAL PROPERTY RECEIVED WHEN SUCH COLLATERAL OR PROCEEDS ARE SOLD, COLLECTED, DEALT WITH OR OTHERWISE DISPOSED OF. CUSTOMER ADDRESS: SUITE 2600, THREE BENTALL CENTRE. 595 BURRARD

Registration No. (and amendments)	217359L
Registration Type	SECURITY AGREEMENT
Registration Date	2018-Dec-18
Expiry	2023-Dec-18
Debtors	JMB CRUSHING SYSTEMS Inc.
Secured Party	CATERPILLAR FINANCIAL SERVICES LIMITED



Collateral: Serial Number Goods	V0001 MV CAT0140MCD9G01357 2012 CATERPILLAR 140MAWD
Collateral: General	ONE (1) 2012 CATERPILLAR 140MAWD MOTOR GRADER S/N CAT0140MCD9G01357 TOGETHER WITH ALL ACCESSORIES AND PROCEEDS INCLUDING GOODS, DOCUMENTS OF TITLE, CHATTEL PAPER, SECURITY, INSTRUMENTS, MONEY OR INTANGIBLES OR ANY OTHER PERSONAL PROPERTY RECEIVED WHEN SUCH COLLATERAL OR PROCEEDS ARE SOLD, COLLECTED, DEALT WITH OR OTHERWISE DISPOSED OF. CUSTOMER ADDRESS: SUITE 2600, THREE BENTALL CENTRE. 595 BURRARD STREET

Registration No. (and amendments)	217371L
Registration Type	SECURITY AGREEMENT
Registration Date	2018-Dec-18
Expiry	2023-Dec-18
Debtors	JMB CRUSHING SYSTEMS Inc.
Secured Party	CATERPILLAR FINANCIAL SERVICES LIMITED
Collateral: Serial Number Goods	V0001 MV CAT0140MLD9G01332 2012 CATERPILLAR 140MAWD
Collateral: General	ONE (1) 2012 CATERPILLAR 140MAWD MOTOR GRADER S/N CAT0140MLD9G01332 TOGETHER WITH ALL ACCESSORIES AND PROCEEDS INCLUDING GOODS, DOCUMENTS OF TITLE, CHATTEL PAPER, SECURITY, INSTRUMENTS, MONEY OR INTANGIBLES OR ANY OTHER PERSONAL PROPERTY RECEIVED WHEN SUCH COLLATERAL OR PROCEEDS ARE SOLD, COLLECTED, DEALT WITH OR OTHERWISE DISPOSED OF. CUSTOMER ADDRESS: SUITE 2600, THREE BENTALL CENTRE. 595 BURRARD STREET

Registration No. (and amendments)	217371L
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Registration Type	SECURITY AGREEMENT
Registration Date	2018-Dec-18
Expiry	2023-Dec-18
Debtors	JMB CRUSHING SYSTEMS Inc.
Secured Party	CATERPILLAR FINANCIAL SERVICES LIMITED
Collateral: Serial Number Goods	V0001 MV CAT0140MLD9G01332 2012 CATERPILLAR 140MAWD
Collateral: General	ONE (1) 2012 CATERPILLAR 140MAWD MOTOR GRADER S/N CAT0140MLD9G01332 TOGETHER WITH ALL ACCESSORIES AND PROCEEDS INCLUDING GOODS, DOCUMENTS OF TITLE, CHATTEL PAPER, SECURITY, INSTRUMENTS, MONEY OR INTANGIBLES OR ANY OTHER PERSONAL PROPERTY RECEIVED WHEN SUCH COLLATERAL OR PROCEEDS ARE SOLD, COLLECTED, DEALT WITH OR OTHERWISE DISPOSED OF. CUSTOMER ADDRESS: SUITE 2600, THREE BENTALL CENTRE. 595 BARRARD STREET

Registration No. (and amendments)	217381L
Registration Type	SECURITY AGREEMENT
Registration Date	2018-Dec-18
Expiry	2023-Dec-18
Debtors	JMB CRUSHING SYSTEMS Inc.
Secured Party	CATERPILLAR FINANCIAL SERVICES LIMITED
Collateral: Serial Number Goods	V0001 MV CAT0140MPD9G01354 2012 CATERPILLAR 140MAWD
Collateral: General	ONE (1) 2012 CATERPILLAR 140MAWD MOTOR GRADER S/N CAT0140MPD9G01354 TOGETHER WITH ALL ACCESSORIES AND PROCEEDS INCLUDING GOODS, DOCUMENTS OF TITLE, CHATTEL

	PAPER, SECURITY, INSTRUMENTS, MONEY OR INTANGIBLES OR ANY OTHER PERSONAL PROPERTY RECEIVED WHEN SUCH COLLATERAL OR PROCEEDS ARE SOLD, COLLECTED, DEALT WITH OR OTHERWISE DISPOSED OF. CUSTOMER ADDRESS: SUITE 2600, THREE BENTALL CENTRE. 595 BARRARD STREET
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Registration No. (and amendments)	236128L
Registration Type	SECURITY AGREEMENT
Registration Date	2018-Dec-31
Expiry	2024-Dec-31
Debtors	JMB CRUSHING SYSTEMS Inc. (2 addresses)
Secured Party	CATERPILLAR FINANCIAL SERVICES LIMITED
Collateral: Serial Number Goods	V0001 MV CAT0980MCKRS01308 2016 CATERPILLAR 980M
Collateral: General	ONE(1) CATERPILLAR 980M MEDIUM WHEEL LOADER C/W GENERAL PURPOSE BUCKET TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL. PROCEEDS MEANS GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

Registration No. (and amendments)	236129L
Registration Type	SECURITY AGREEMENT

Registration Date	2018-Dec-31
Expiry	2021-Dec-31
Debtors	JMB CRUSHING SYSTEMS Inc. (2 addresses)
Secured Party	CATERPILLAR FINANCIAL SERVICES LIMITED
Collateral: Serial Number Goods	V0001 MV CAT0246DLBYFO0587 2014 CATERPILLAR 246D V0002 MV CAT0246DTBYFO2460 2016 CATERPILLAR 246D
Collateral: General	ONE(1) CATERPILLAR 246D SKID STEER LOADER C/W GENERAL PURPOSE BUCKET ONE(1) CATERPILLAR 246D SKID STEER LOADER C/W GENERAL PURPOSE BUCKET TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVE MENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL. PROCEEDS MEANS GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

Registration No. (and amendments)	364660L
Registration Type	SECURITY AGREEMENT
Registration Date	2018-Dec-31
Expiry	2024-Dec-31
Debtors	JMB CRUSHING SYSTEMS Inc. (2 addresses)
Secured Party	VFS CANADA INC.
Collateral: Serial Number Goods	V0001 MV VCEL220HL00002736 2017 VOLVO L220H

Collateral: General	2017 VOLVO L220H S/N VCEL220HL00002736 ENGINE S/N 738385, C/W VOLVO 7. 4 YD BUCKET S/N 3028660. TOGETHER WITH (1) ALL PRESENT AND AFTER-ACQUIRED PARTS, ACCESSIONS, APPURTENANCES, COMPONENTS, APPLIANCES, ATTACHMENTS, AND REPLACEMENTS THERETO AND ANY EQUIPMENT OF WHATEVER NATURE THAT MAY BE INCORPORATED, INSTALLED OR ATTACHED, FROM TIME TO TIME THERETO, AND (2) PROCEEDS: ALL GOODS, SECURITIES, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER, INTANGIBLES AND MONEY. TERMS USED HEREIN THAT ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT (BRITISH COLUMBIA), THE REGULATIONS MADE THEREUNDER OR ANY AMENDMENTS MADE THERETO HAVE THOSE DEFINED MEANINGS.
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Registration No. (and amendments)	367148L
Registration Type	SECURITY AGREEMENT
Registration Date	2019-Mar-13
Expiry	2024-Mar-13
Debtors	JMB CRUSHING SYSTEMS Inc.
Secured Party	BANK OF MONTREAL
Collateral: Serial Number Goods	V0001 TR TRXV6203TDUEG1886 2015 TEREX LJ-TSV 6203-32
Collateral: General	ONE (1) NEW 2015 AMI CRC380X CC PLANT C/W SWITCHGEAR AND ALL OTHER ATTACHMENTS AND ACCESSORIES ONE (1) MODEL MVP380X TEREX ROLLERCONE CRUSHER, SERIAL NUMBER: TRRXR380EOKEL0708, ONE (1) MODEL LJ-TSV 6203-32 TEREX SCREEN, SERIAL NUMBER: TRXV6203TDUEG1886, ONE (1) MODEL 380C6203CC-D06319 AMI CONE PLANT, SERIAL NUMBER: 2836-15. THE GOODS DESCRIBED HEREIN, WHEREVER SITUATED, AND ALL PRESENT AND AFTER-ACQUIRED INTELLECTUAL PROPERTY, INTANGIBLES, ATTACHMENTS, ACCESSORIES AND ACCESSIONS THERETO AND SPARE PARTS, REPLACEMENTS, SUBSTITUTIONS, EXCHANGES AND TRADE-INS THEREFOR, AND ALL RIGHTS, RECEIVABLES AND CHATTEL PAPER DERIVED FROM OR EVIDENCING THE LEASE OR RENTAL THEREOF BY THE DEBTOR TO THIRD PARTIES, AND ALL PROCEEDS RELATING THERETO.

PROCEEDS- ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY WHICH IS DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH OR DISPOSITION OF THE ABOVE-DESCRIBED COLLATERAL, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ALL INSURANCE AND OTHER PAYMENTS PAYABLE AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE THERETO AND ALL CHATTEL PAPER, DOCUMENTS OF TITLE, GOODS, INSTRUMENTS, INTANGIBLES, MONEY AND SECURITIES.

Registration No. (and amendments)	367881L
Registration Type	SECURITY AGREEMENT
Registration Date	2019-Mar-13
Expiry	2025-Mar-13
Debtors	JMB CRUSHING SYSTEMS Inc.
Secured Party	BANK OF MONTREAL
Collateral: Serial Number Goods	V0001 TR 2MFB2R5COGRO08281 2016 MIDLAND TW 2500 V0002 TR 2MFB2R5D9JR008909 2018 MIDLAND TW 2000
Collateral: General	ONE (1) USED 2016 LEAD TW 2500 MIDLAND SIDE DUMP, C/W ALL ATTACHMENTS AND ACCESSORIES, SERIAL NUMBER: 2MFB2R5COGRO08281 ONE (1) USED 2018 PUP TW 2000 MIDLAND SIDE DUMP, C/W ALL ATTACHMENTS AND ACCESSORIES, SERIAL NUMBER: 2MFB2R5D9JR008909 THE GOODS DESCRIBED HEREIN, WHEREVER SITUATED, AND ALL PRESENT AND AFTER-ACQUIRED INTELLECTUAL PROPERTY, INTANGIBLES, ATTACHMENTS, ACCESSORIES AND ACCESSIONS THERETO AND SPARE PARTS, REPLACEMENTS, SUBSTITUTIONS, EXCHANGES AND TRADE-INS THEREFOR, AND ALL RIGHTS, RECEIVABLES AND CHATTEL PAPER DERIVED FROM OR EVIDENCING THE LEASE OR RENTAL THEREOF BY THE DEBTOR TO THIRD PARTIES, AND ALL PROCEEDS RELATING THERETO. PROCEEDS- ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY WHICH IS DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH OR DISPOSITION OF THE ABOVE-DESCRIBED COLLATERAL, INCLUDING, WITHOUT LIMITING THE

GENERALITY OF THE FOREGOING, ALL INSURANCE AND OTHER PAYMENTS PAYABLE AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE THERETO AND ALL CHATTEL PAPER, DOCUMENTS OF TITLE, GOODS, INSTRUMENTS, INTANGIBLES, MONEY AND SECURITIES.

Registration No. (and amendments)	367907L		
Registration Type	SECURITY AGREEMENT		
Registration Date	2019-Mar-13		
Expiry	2025-Mar-13		
Debtors	JMB CRUSHING SYSTEMS Inc.		
Secured Party	BANK OF MONTREAL		
Collateral: Serial Number Goods	V0001 TR	2MFB2R5COJR008840 2018	MIDLAND TW2500
	V0002 TR	2MFB2R5C1KR009089 2019	MIDLAND TW2500
	V0003 TR	2MFB2R5D7KR009090 2019	MIDLAND TW3000
	V0004 TR	2MFB2R5DOKR009092 2019	MIDLAND TW3000
	V0005 TR	2MFB2R5D5KR009072 2019	MIDLAND TW3000
	V0006 TR	2MFB2R5CXKR009091 2019	MIDLAND TW2500
Collateral: General	<p>ONE (1) USED 2018 TW2500 MIDLAND SIDE DUMP, C/W ALL ATTACHMENTS AND ACCESSORIES, SERIAL NUMBER: 2MFB2R5COJR008840</p> <p>TWO (2) USED 2019 TW2500 MIDLAND SIDE DUMP, C/W ALL ATTACHMENTS AND ACCESSORIES, SERIAL NUMBERS: 2MFB2R5C1KR009089, 2MFB2R5CXKR009091</p> <p>THREE (3) USED 2019 TW3000 MIDLAND SIDE DUMP, C/W ALL ATTACHMENTS AND ACCESSORIES, SERIAL NUMBERS: 2MFB2R5D7KR009090, 2MFB2R5DOKR009092, 2MFB2R5D5KR009072.</p> <p>THE GOODS DESCRIBED HEREIN, WHEREVER SITUATED, AND ALL PRESENT AND AFTER-ACQUIRED INTELLECTUAL PROPERTY, INTANGIBLES, ATTACHMENTS, ACCESSORIES AND ACCESSIONS THERETO AND SPARE PARTS, REPLACEMENTS, SUBSTITUTIONS, EXCHANGES AND TRADE-INS THEREFOR, AND ALL RIGHTS, RECEIVABLES AND CHATTEL PAPER DERIVED FROM OR EVIDENCING</p>		



THE LEASE OR RENTAL THEREOF BY THE DEBTOR TO THIRD PARTIES, AND ALL PROCEEDS RELATING THERETO.
 PROCEEDS- ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY WHICH IS DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH OR DISPOSITION OF THE ABOVE-DESCRIBED COLLATERAL, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ALL INSURANCE AND OTHER PAYMENTS PAYABLE AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE THERETO AND ALL CHATTEL PAPER, DOCUMENTS OF TITLE, GOODS, INSTRUMENTS, INTANGIBLES, MONEY AND SECURITIES.

Registration No. (and amendments)	367954L
Registration Type	SECURITY AGREEMENT
Registration Date	2019-Mar-13
Expiry	2025-Mar-13
Debtors	JMB CRUSHING SYSTEMS Inc.
Secured Party	BANK OF MONTREAL
Collateral: Serial Number Goods	V0001 TR 2MFB2R5C3KR009028 2019 MIDLAND TW2500 V0002 TR 2MFB2R5D3KR009099 2019 MIDLAND TW300
Collateral: General	ONE (1) USED 2019 TW2500 MIDLAND SIDE PUP LEAD, C/W ALL ATTACHMENTS AND ACCESSORIES, SERIAL NUMBER: 2MFB2R5C3KR009028, ONE (1) USED 2019 TW300 MIDLAND SIDE DUMP PUP, C/W ALL ATTACHMENTS AND ACCESSORIES, SERIAL NUMBER: 2MFB2R5D3KR009099. THE GOODS DESCRIBED HEREIN, WHEREVER SITUATED, AND ALL PRESENT AND AFTER-ACQUIRED INTELLECTUAL PROPERTY, INTANGIBLES, ATTACHMENTS, ACCESSORIES AND ACCESSIONS THERETO AND SPARE PARTS, REPLACEMENTS, SUBSTITUTIONS, EXCHANGES AND TRADE-INS THEREFOR, AND ALL RIGHTS, RECEIVABLES AND CHATTEL PAPER DERIVED FROM OR EVIDENCING THE LEASE OR RENTAL THEREOF BY THE DEBTOR TO THIRD PARTIES, AND ALL PROCEEDS RELATING THERETO. PROCEEDS- ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY WHICH IS DERIVED DIRECTLY OR INDIRECTLY

FROM ANY DEALING WITH OR DISPOSITION OF THE ABOVE-DESCRIBED COLLATERAL, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ALL INSURANCE AND OTHER PAYMENTS PAYABLE AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE THERETO AND ALL CHATTEL PAPER, DOCUMENTS OF TITLE, GOODS, INSTRUMENTS, INTANGIBLES, MONEY AND SECURITIES.

Registration No. (and amendments)	367960L
Registration Type	SECURITY AGREEMENT
Registration Date	2019-Mar-13
Expiry	2025-Mar-13
Debtors	JMB CRUSHING SYSTEMS Inc.
Secured Party	BANK OF MONTREAL
Collateral: Serial Number Goods	<p>V0001 MV 1XPCDPDX3KD605759 2019 PETERBILT 567</p> <p>V0002 MV 1XPCDPDX3KD605760 2019 PETERBILT 567</p> <p>V0003 MV 1XPCDPDX1KD605761 2019 PETERBILT 567</p> <p>V0004 MV 1XPCDPDX3KD605762 2019 PETERBILT 567</p> <p>V0005 MV 1XPCDPDX5KD605763 2019 PETERBILT 567</p>
Collateral: General	<p>FIVE (5) USED 2019 567 PETERBILT TANDEM TRUCKS C/W WETKITS, AS PER QUOTE, SUPPLY AND INSTALL HOTSHIFT PTO, DUMP PUMP, AIRBAG/TAILGATE SWITCHES, TWO POWER TARP CONTROLS, LARGE CONSOLE BETWEEN DRIVER/PASSENGER SEAT, DUAL AIR GAUGE IN BATTERY BOX, TARP SOLENOIDS IN BATTERY BOX, TARP BREAKERS IN ATTACHMENTS AND ACCESSORIES, SERIAL NUMBERS: 1XPCDPDX5KD605763, 1XPCDPDX3KD605762, 1XPCDPDX1KD605761, 1XPCDPWOMD605760, 1XPCDPDX3KD605759.</p> <p>THE GOODS DESCRIBED HEREIN, WHEREVER SITUATED, AND ALL PRESENT AND AFTER-ACQUIRED INTELLECTUAL PROPERTY, INTANGIBLES, ATTACHMENTS, ACCESSORIES AND ACCESSIONS THERETO AND SPARE PARTS, REPLACEMENTS, SUBSTITUTIONS, EXCHANGES AND TRADE-INS THEREFOR, AND ALL RIGHTS,</p>

RECEIVABLES AND CHATTEL PAPER DERIVED FROM OR EVIDENCING THE LEASE OR RENTAL THEREOF BY THE DEBTOR TO THIRD PARTIES, AND ALL PROCEEDS RELATING THERETO.

PROCEEDS- ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY WHICH IS DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH OR DISPOSITION OF THE ABOVE-DESCRIBED COLLATERAL, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ALL INSURANCE AND OTHER PAYMENTS PAYABLE AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE THERETO AND ALL CHATTEL PAPER, DOCUMENTS OF TITLE, GOODS, INSTRUMENTS, INTANGIBLES, MONEY AND SECURITIES.

Registration No. (and amendments)	368038L	
Registration Type	SECURITY AGREEMENT	
Registration Date	2019-Mar-13	
Expiry	2025-Mar-13	
Debtors	JMB CRUSHING SYSTEMS Inc.	
Secured Party	BANK OF MONTREAL	
Collateral: Serial Number Goods	V0001 MV 1NPCXPEXXKD605770 2019 PETERBILT 567 V0002 MV 1NPCXPEX1KD605771 2019 PETERBILT 567 V0003 MV 1NPCXPEX3KD605769 2019 PETERBILT 567 V0004 MV 1NPCXPEX3KD605772 2019 PETERBILT 567 V0005 MV 1NPCXPEX5KD605773 2019 PETERBILT 567 V0006 TR 2A9214341KA003559 2019 ARNES QUAD WAGON V0007 TR 2A9214348KA003560 2019 ARNES QUAD WAGON V0008 TR 2A9214341KA003561 2019 ARNES QUAD WAGON V0009 TR 2A9214341KA003562 2019 ARNES QUAD WAGON V0010 TR 2A9214343KA003563 2019 ARNES QUAD WAGON	
Collateral: General	ONE (1) NEW 2019 567 PETERBILT TRUCK, SERIAL NUMBER:	



1NPCXPEXXKD605770, C/W ONE (1) NEW 2019 ARNES 19 FT TRUCK
BOX TUB, SERIAL NUMBER: 89564;

ONE (1) NEW 2019 567 PETERBILT TRUCK, SERIAL NUMBER:

1NPCXPEX1KD605771, C/W ONE (1) NEW 2019 ARNES 19 FT TRUCK
BOX TUB, SERIAL NUMBER: 89565;

ONE (1) NEW 2019 567 PETERBILT TRUCK, SERIAL NUMBER:

1NPCXPEX3KD605769, C/W ONE (1) NEW 2019 ARNES 19 FT TRUCK
BOX TUB,

SERIAL NUMBER: 89566;

ONE (1) NEW 2019 567 PETERBILT TRUCK, SERIAL NUMBER:

1NPCXPEX3KD605772, C/W ONE (1) NEW 2019 ARNES 19 FT TRUCK
BOX TUB,

SERIAL NUMBER: 89567;

ONE (1) NEW 2019 567 PETERBILT TRUCK, SERIAL NUMBER:

1NPCXPEX5KD605773, C/W ONE (1) NEW 2019 ARNES 19 FT TRUCK
BOX TUB,

SERIAL NUMBER: 89568; FIVE (5) NEW 2019 ARNES QUAD WAGON
TRAILERS C/W ALL ATTACHMENTS AND

ACCESSORIES, SERIAL NUMBERS: 2A9214341KA003559,
2A9214348KA003560,

2A9214341KA003561, 2A9214341KA003562, 2A9214343KA003563.

THE GOODS DESCRIBED HEREIN, WHEREVER SITUATED, AND ALL
PRESENT AND AFTER-ACQUIRED INTELLECTUAL PROPERTY,
INTANGIBLES, ATTACHMENTS, ACCESSORIES AND ACCESSIONS
THERETO AND SPARE PARTS, REPLACEMENTS, SUBSTITUTIONS,
EXCHANGES AND TRADE-INS THEREFOR, AND ALL RIGHTS,
RECEIVABLES AND CHATTEL PAPER DERIVED FROM OR EVIDENCING
THE LEASE OR RENTAL THEREOF BY THE DEBTOR TO THIRD
PARTIES, AND ALL PROCEEDS RELATING THERETO.

PROCEEDS- ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED
PERSONAL PROPERTY WHICH IS DERIVED DIRECTLY OR INDIRECTLY
FROM ANY DEALING WITH OR DISPOSITION OF THE ABOVE-
DESCRIBED COLLATERAL, INCLUDING, WITHOUT LIMITING THE
GENERALITY OF THE FOREGOING, ALL INSURANCE AND OTHER
PAYMENTS PAYABLE AS INDEMNITY OR COMPENSATION FOR LOSS
OR DAMAGE THERETO AND ALL CHATTEL PAPER, DOCUMENTS OF
TITLE, GOODS, INSTRUMENTS, INTANGIBLES, MONEY AND
SECURITIES.

Registration No. (and amendments)	593814L
Registration Type	SECURITY AGREEMENT
Registration Date	2019-Jun-25
Expiry	2020-Jun-25
Debtors	JMB CRUSHING SYSTEMS INC. (2 addresses)
Secured Party	STRONGCO LIMITED PARTNERSHIP
Collateral: Serial Number Goods	V0001 MV VCE0A40GC00352008 2019 VOLVO A40G HAULER
Collateral: General	N/A

Registration No. (and amendments)	593828L
Registration Type	SECURITY AGREEMENT
Registration Date	2019-Jun-25
Expiry	2020-Jun-25
Debtors	JMB CRUSHING SYSTEMS INC. (2 addresses)
Secured Party	STRONGCO LIMITED PARTNERSHIP
Collateral: Serial Number Goods	V0001 MV VCEC480EJ00311233 2019 VOLVO EC480EL EXCAVATOR
Collateral: General	N/A

Registration No. (and amendments)	593838L
Registration Type	SECURITY AGREEMENT
Registration Date	2019-Jun-25
Expiry	2020-Jun-25
Debtors	JMB CRUSHING SYSTEMS INC. (2 addresses)
Secured Party	STRONGCO LIMITED PARTNERSHIP
Collateral: Serial Number Goods	V0001 MV VCE0A40GT00342483 2018 VOLVO A40G HAULER
Collateral: General	N/A

Registration No. (and amendments)	131980M
Registration Type	SECURITY AGREEMENT
Registration Date	2020-Mar-20
Expiry	2030-Mar-20
Debtors	JMB CRUSHING SYSTEMS INC. EASTSIDE ROCK PRODUCTS INC. 2161889 ALBERTA LTD.
Secured Party	CANADIAN AGGREGATE RESOURCE CORPORATION
Collateral: Serial Number Goods	N/A
Collateral: General	ALL OF EACH DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY (INCLUDING, WITHOUT LIMITATION, FIXTURES) AND AN UNCRYSTALLIZED FLOATING CHARGE ON LAND.

3. Saskatchewan Personal Property Registry

A business debtor search of the British Columbia Personal Property Registry dated April 8, 2020 revealed the following registrations against JMB Crushing

Registration No. (and amendments)	301608058
Registration Type	SECURITY AGREEMENT
Registration Date	2017-04-07
Expiry	2027-04-06
Debtors	JMB CRUSHING SYSTEMS INC. EASTSIDE ROCK PRODUCTS, INC.
Secured Party	FIERA PRIVATE DEBT FUND V LP, AS COLLATERAL AGENT
Collateral: Serial Number Goods	N/A
Collateral: General	ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTORS.

Registration No. (and amendments)	301621655
Registration Type	SECURITY AGREEMENT
Registration Date	2017-05-09
Expiry	2027-05-09
Debtors	JMB CRUSHING SYSTEMS ULC JMB CRUSHING SYSTEMS INC.
Secured Party	ALBERTA TREASURY BRANCHES ATB FINANCIAL

Collateral: Serial Number Goods	N/A
Collateral: General	ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTORS.



2161889 Alberta Ltd. ("216")

4. Alberta Personal Property Registry

A business debtor search of the Alberta Personal Property Registry dated March 20, 2020 revealed the following registrations against 216:

Registration No. (and amendments)	17040638801 (18112724291 amendment; 19040524519 amendment; 19121706344 amendment)
Registration Type	SECURITY AGREEMENT
Registration Date	2017-Apr-06
Expiry	2027-Apr-06
Debtors	JMB CRUSHING SYSTEMS ULC JMB CRUSHING SYSTEMS INC. EASTSIDE ROCK PRODUCTS, INC. 2161889 ALBERTA LTD.
Secured Party	FIERA PRIVATE DEBT FUND V LP, AS COLLATERAL AGENT
Collateral: Serial Number Goods	N/A
Collateral: General	ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTORS.

Registration No. (and amendments)	19011424597 (19110446124 amendment)
Registration Type	SECURITY AGREEMENT
Registration Date	2019-Jan-14
Expiry	2024-Jan-14
Debtors	2161889 ALBERTA LTD.



Secured Party	CANADIAN WESTERN BANK - CREDIT SUPPORT, NAB REGION
Collateral: Serial Number Goods	N/A
Collateral: General	THE ENTIRE RIGHT, TITLE, CLAIM AND INTEREST OF THE DEBTOR IN AND TO ALL MONEYS OWING AND PAYABLE HEREAFTER OWING AND PAYABLE TO THE DEBTOR PURSUANT TO THE TERMS OF THE INSTRUMENT OR INSTRUMENTS DESCRIBED GIC UNDER CIF 691154 AND ALL PROCEEDS INCLUDING, WITHOUT LIMITATION, ALL GOODS, SECURITIES, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER, INTANGIBLES AND MONEY (ALL AS DEFINED IN THE PPSA, ANY REGULATIONS THEREUNDER AND ANY AMENDMENTS THERETO).

Registration No. (and amendments)	19032219667 (19032511058 amendment)
Registration Type	SECURITY AGREEMENT
Registration Date	2019-Mar-22
Expiry	2024-Mar-22
Debtors	2161889 ALBERTA LTD.
Secured Party	ATB FINANCIAL
Collateral: Serial Number Goods	N/A
Collateral: General	<p>ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTOR OF WHATSOEVER DESCRIPTION AND KIND AND WHERESOEVER SITUATE.</p> <p>ALL PRESENT AND FUTURE INDEBTEDNESS OF JMB CRUSHING SYSTEMS INC. TO 2161889 ALBERTA LTD., BOTH DIRECT AND INDIRECT, BOTH ABSOLUTE AND CONTINGENT, INCLUDING WITHOUT RESTRICTION, THE PRESENT AND FUTURE INDEBTEDNESS EVIDENCED BY ACCOUNTS, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER OR SECURITY.</p> <p>PROCEEDS: ALL PRESENT AND AFTER-ACQUIRED GOODS, SECURITY, INVESTMENT PROPERTY, INSTRUMENTS, ACCOUNTS, MONEY, DOCUMENTS OF TITLE, CHATTEL PAPER AND INTANGIBLES, DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALINGS WITH THE ABOVE ORIGINAL COLLATERAL OR FURTHER PROCEEDS THEREOF,</p>



	TOGETHER WITH ALL PRESENT AND FUTURE INSURANCE PAYMENT OR PAYMENTS OR OTHER PAYMENT OR PAYMENTS, NOW OR HEREAFTER PAID AS COMPENSATION FOR LOSS OR DAMAGE TO ANY SUCH COLLATERAL OR FURTHER PROCEEDS THEREOF, INCLUDING, WITHOUT LIMITATION, THE PROCEEDS DEFINED OR REFERENCED IN THE PERSONAL PROPERTY SECURITY ACT AND REGULATIONS THERETO.
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Registration No. (and amendments)	20031623522
Registration Type	LAND CHARGE
Registration Date	2020-Mar-16
Expiry	Infinity
Debtors	JMB CRUSHING SYSTEMS INC 2161889 ALBERTA LTD. EASTSIDE ROCK PRODUCTS, INC.
Secured Party	FIERA PRIVATE DEBT FUND V LP, AS COLLATERAL AGENT

Registration No. (and amendments)	20031909111
Registration Type	LAND CHARGE
Registration Date	2020-Mar-19
Expiry	Infinity
Debtors	2161889 ALBERTA LTD.
Secured Party	ATB FINANCIAL ALBERTA TREASURY BRANCHES



Registration No. (and amendments)	20032024485
Registration Type	SECURITY AGREEMENT
Registration Date	2020-Mar-20
Expiry	2030-Mar-20
Debtors	JMB CRUSHING SYSTEMS INC 2161889 ALBERTA LTD. EASTSIDE ROCK PRODUCTS, INC.
Secured Party	CANADIAN AGGREGATE RESOURCE CORPORATION
Collateral: Serial Number Goods	N/A
Collateral: General	ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTOR

Registration No. (and amendments)	20032024584
Registration Type	LAND CHARGE
Registration Date	2020-Mar-20
Expiry	Infinity
Debtors	JMB CRUSHING SYSTEMS INC 2161889 ALBERTA LTD. EASTSIDE ROCK PRODUCTS, INC.
Secured Party	CANADIAN AGGREGATE RESOURCE CORPORATION

5. British Columbia Personal Property Registry

A business debtor search of the British Columbia Personal Property Registry dated April 9, 2020 revealed the following registrations against 216:

Registration No. (and amendments)	957982L
Registration Type	SECURITY AGREEMENT
Registration Date	2019-12-17
Expiry	2024-12-17
Debtors	2161889 ALBERTA LTD.
Secured Party	ATB FINANCIAL
Collateral: Serial Number Goods	N/A
Collateral: General	<p>ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTOR OF WHATSOEVER DESCRIPTION AND KIND AND WHERESOEVER SITUATE.</p> <p>ALL PRESENT AND FUTURE INDEBTEDNESS OF JMB CRUSHING SYSTEMS INC. TO 2161889 ALBERTA LTD., BOTH DIRECT AND INDIRECT, BOTH ABSOLUTE AND CONTINGENT, INCLUDING WITHOUT RESTRICTION, THE PRESENT AND FUTURE INDEBTEDNESS EVIDENCED BY ACCOUNTS, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER OR SECURITY.</p> <p>PROCEEDS: ALL PRESENT AND AFTER-ACQUIRED GOODS, SECURITY, INVESTMENT PROPERTY, INSTRUMENTS, ACCOUNTS, MONEY, DOCUMENTS OF TITLE, CHATTEL PAPER AND INTANGIBLES, DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALINGS WITH THE ABOVE ORIGINAL COLLATERAL OR FURTHER PROCEEDS THEREOF, TOGETHER WITH ALL PRESENT AND FUTURE INSURANCE PAYMENT OR PAYMENTS OR OTHER PAYMENT OR PAYMENTS, NOW OR HEREAFTER PAID AS COMPENSATION FOR LOSS OR DAMAGE TO ANY SUCH COLLATERAL OR FURTHER PROCEEDS THEREOF, INCLUDING, WITHOUT LIMITATION, THE PROCEEDS DEFINED OR REFERENCED IN THE PERSONAL PROPERTY SECURITY ACT AND REGULATIONS THERETO.</p>

Registration No. (and amendments)	131980M
Registration Type	SECURITY AGREEMENT
Registration Date	2020-Mar-20
Expiry	2030-Mar-20
Debtors	JMB CRUSHING SYSTEMS INC 2161889 ALBERTA LTD. EASTSIDE ROCK PRODUCTS, INC.
Secured Party	CANADIAN AGGREGATE RESOURCE CORPORATION
Collateral: Serial Number Goods	N/A
Collateral: General	ALL OF EACH DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY (INCLUDING, WITHOUT LIMITATION, FIXTURES) AND AN UNCRYSTALLIZED FLOATING CHARGE ON LAND.


6. Saskatchewan Personal Property Registry

A business debtor search of the British Columbia Personal Property Registry dated April 8, 2020 revealed the following registrations against 216

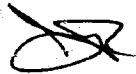
Registration No. (and amendments)	301987435
Registration Type	SECURITY AGREEMENT
Registration Date	2019-12-17
Expiry	2024-12-17
Debtors	2161889 ALBERTA LTD.
Secured Party	ATB Financial

Collateral: Serial Number Goods	N/A
Collateral: General	<p>ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTOR OF WHATSOEVER DESCRIPTION AND KIND AND WHERESOEVER SITUATE.</p> <p>ALL PRESENT AND FUTURE INDEBTEDNESS OF JMB CRUSHING SYSTEMS INC. TO 2161889 ALBERTA LTD., BOTH DIRECT AND INDIRECT, BOTH ABSOLUTE AND CONTINGENT, INCLUDING WITHOUT RESTRICTION, THE PRESENT AND FUTURE INDEBTEDNESS EVIDENCED BY ACCOUNTS, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER OR SECURITY.</p> <p>PROCEEDS: ALL PRESENT AND AFTER-ACQUIRED GOODS, SECURITY, INVESTMENT PROPERTY, INSTRUMENTS, ACCOUNTS, MONEY, DOCUMENTS OF TITLE, CHATTEL PAPER AND INTANGIBLES, DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALINGS WITH THE ABOVE ORIGINAL COLLATERAL OR FURTHER PROCEEDS THEREOF, TOGETHER WITH ALL PRESENT AND FUTURE INSURANCE PAYMENT OR PAYMENTS OR OTHER PAYMENT OR PAYMENTS, NOW OR HEREAFTER PAID AS COMPENSATION FOR LOSS OR DAMAGE TO ANY SUCH COLLATERAL OR FURTHER PROCEEDS THEREOF, INCLUDING, WITHOUT LIMITATION, THE PROCEEDS DEFINED OR REFERENCED IN THE PERSONAL PROPERTY SECURITY ACT AND REGULATIONS THERETO.</p>

THIS IS EXHIBIT "O" REFERRED TO IN
THE AFFIDAVIT OF JEFF BUCK
SWORN BEFORE ME
THIS 16 DAY OF APRIL, 2020


A Commissioner of Oaths and Notary Public
in and for the Province of Alberta

Alex Matthews
Barrister & Solicitor



December 13, 2019

DELIVERED BY EMAIL AND COURIER

JMB Crushing Systems Inc.
9046-22 Avenue SW
Edmonton AB T6X 0J9

Attention: Jeff Buck

2161889 Alberta Ltd.
c/o JMB Crushing Systems Inc.
PO Box 6977
Bonnyville, AB T9N 2H4

Attention: Jeff Buck

Eastside Rock Products Inc.
1000-2nd Avenue, Suite 3210
Seattle, Washington, 98104

Eastside Rock Products Inc.
c/o JMB Crushing Systems Inc.
PO Box 6977
Bonnyville, AB T9N 2H4

Attention: Jeff Buck

Blake Cassels & Graydon LLP
3500 East Tower, Bankers Hall
855-2nd Street SW
Calgary, AB T2P 4J8

Attention: Dan Macleod

Re: ATB Financial ("ATB") loans and credit to JMB Crushing Systems Inc. (the "Borrower") governed by the October 16, 2019 Credit Agreement made between ATB, the Borrower and Eastside Rock Products Inc. and 2161889 Alberta Ltd. (the "Guarantors") as Guarantors (the "Credit Agreement")

This letter constitutes notice of the Borrower and Guarantors' defaults to ATB under the Credit Agreement. Save as otherwise defined in this letter, all capitalized terms referred to in this letter shall have the meaning set forth in the Credit Agreement.

The Borrower and the Guarantors have defaulted as follows (collectively the "Defaults"):

- (a) failure to comply with the reporting requirements set out in Section 8 of the Credit Agreement;
- (b) breach of the restrictions section out in Section 9 of the Credit Agreement without obtaining ATB's prior written consent; and
- (c) breach of Section 7(a) of the Credit Agreement by failing to pay out and cancel the Canadian Western Bank letter of credit facility for up to CDN \$750,000 and failure to cause the Canadian Western Bank security in respect of such letter of credit facility to be released and discharged by May 22, 2019 as required by the Consent Agreement dated March 22, 2019 (the "ATB Consent").

It is also apparent that the Borrower and Guarantors will not be able to provide the 2018 financial statements completed in accordance with IFRS standards by the December 31, 2019 deadline which also will constitute a Default.

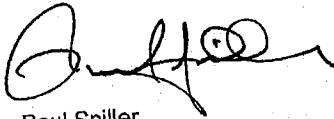
Without prejudice to ATB's continuing rights and remedies under the Credit Agreement and Security Document, ATB requires all Defaults to be cured by no later than January 15, 2020.

By reason of the above Defaults and notwithstanding anything else set out in this letter, ATB continues to reserve its rights, without any further demand or notice upon the Borrower and Guarantors, to exercise ATB's rights and remedies as agreed in Credit Agreement. If any material change occurs which causes ATB to believe that the prospect for the repayment of all present and future debt to ATB, or the priority of ATB's collateral security, is at any time in jeopardy, ATB reserves the right to take such proceedings as should be available to ATB according to law to preserve and protect its position.

We also remind you that pursuant to Section 1(a) of the Credit Agreement and Section 5 of the Amended and Restated Priority Agreement dated November 5, 2019 among the Borrower, the Guarantors, ATB Financial and Fiera Private Debt Fund V LP, Facility #1 will reduce from \$13,500,000.00 to \$10,000,000.00 effective January 1, 2020.

Yours sincerely,

ATB Financial
Per:

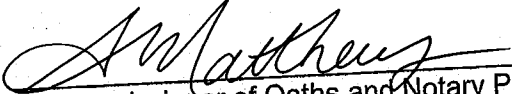


Paul Spiller


Cc: Canadian Aggregate Resources Corp.
Fiera Private Debt Fund V LP
541466 Alberta Ltd.



THIS IS EXHIBIT "P" REFERRED TO IN
THE AFFIDAVIT OF JEFF BUCK
SWORN BEFORE ME
THIS 16 DAY OF APRIL, 2020


A Commissioner of Oaths and Notary Public
in and for the Province of Alberta

Alex Matthews
Barrister & Solicitor



December 23, 2019

DELIVERED BY EMAIL AND COURIER

JMB Crushing Systems Inc.
9046-22 Avenue SW
Edmonton AB T6X 0J9

Attention: Jeff Buck

2161889 Alberta Ltd.
c/o JMB Crushing Systems Inc.
PO Box 6977
Bonnyville, AB T9N 2H4

Attention: Jeff Buck

Eastside Rock Products Inc.
1000-2nd Avenue, Suite 3210
Seattle, Washington, 98104

Eastside Rock Products Inc.
c/o JMB Crushing Systems Inc.
PO Box 6977
Bonnyville, AB T9N 2H4

Attention: Jeff Buck

Blake Cassels & Graydon LLP
3500 East Tower, Bankers Hall
855-2nd Street SW
Calgary, AB T2P 4J8

Attention: Dan Macleod

Re: ATB Financial ("ATB") loans and credit to JMB Crushing Systems Inc. (the "Borrower") governed by the October 16, 2019 Credit Agreement made between ATB, the Borrower and Eastside Rock Products Inc. and 2161889 Alberta Ltd. (the "Guarantors") as Guarantors (the "Credit Agreement")

This letter is further to ATB's December 13, 2019 letter providing notice of the Borrower and Guarantors' defaults under the Credit Agreement (the "Notice of Default"). Save as otherwise defined in this letter, all capitalized terms referred to in this letter shall have the meaning set forth in the Notice of Default, a copy of which is attached for reference.

The Notice of Default provides a deadline of January 15, 2020 for the Borrower and Guarantors to cure the Defaults. However, after discussing the Defaults with the Borrower, ATB has agreed to extend the deadline to cure such Defaults to January 31, 2020.

Accordingly, without prejudice to ATB's continuing rights and remedies under the Credit Agreement and Security Documents (as such term is defined in the Credit Agreement), ATB requires all Defaults to be cured by no later than January 31, 2020.

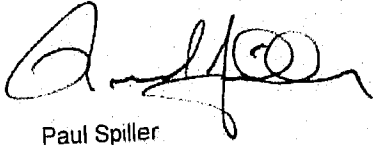
By reason of the Defaults and notwithstanding anything else set out in this letter or the Notice of Default, ATB continues to reserve its rights, without any further demand or notice upon the Borrower and/or Guarantors, to exercise ATB's rights and remedies as agreed in the Credit Agreement. If any material change occurs which causes ATB to believe that the prospect for the repayment of all present and future debt to ATB, or the priority of ATB's collateral security, is at any time in jeopardy, ATB reserves the right to take such proceedings as should be available to ATB according to law to preserve and protect its position.



Yours sincerely,

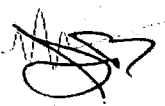
ATB Financial

Per:

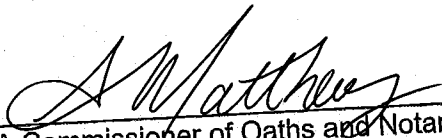


Paul Spiller

Cc: Canadian Aggregate Resources Corp.
Fiera Private Debt Fund V LP
541466 Alberta Ltd.



THIS IS EXHIBIT "Q" REFERRED TO IN
THE AFFIDAVIT OF JEFF BUCK
SWORN BEFORE ME
THIS 16 DAY OF APRIL, 2020


A Commissioner of Oaths and Notary Public
in and for the Province of Alberta

Alex Matthews
Barrister & Solicitor



January 29, 2020

DELIVERED BY EMAIL AND COURIER

JMB Crushing Systems Inc.
9046-22 Avenue SW
Edmonton AB T6X 0J9

Attention: Jeff Buck

2161889 Alberta Ltd.
c/o JMB Crushing Systems Inc.
PO Box 6977
Bonnyville, AB T9N 2H4

Attention: Jeff Buck

Eastside Rock Products Inc
1000-2nd Avenue, Suite 3210
Seattle, Washington, 98104

Re: ATB Financial ("ATB") loans and credit to JMB Crushing Systems Inc. (the "Borrower") governed by the October 16, 2019 Credit Agreement made between ATB, the Borrower and Eastside Rock Products Inc. and 2161889 Alberta Ltd. (the "Guarantors") as Guarantors (the "Credit Agreement")

This letter is further to ATB's December 13, 2019 letter providing notice of the Borrower and Guarantors' defaults under the Credit Agreement and ATB's December 23, 2019 letter providing notice that ATB will allow the Borrower and Guarantors (collectively, the "Obligors") until January 31, 2020 to remedy the Defaults (collectively, the "Notices"). Save as otherwise defined in this letter, all capitalized terms referred to in this letter shall have the meaning set forth in the Notices, copies of which are attached for reference.

The Notices provide a deadline of January 31, 2020 for the Obligors to remedy the Defaults. However, after discussions with the Obligors, ATB has agreed to extend that deadline to March 31, 2020 on the following conditions:

- (a) Ernst & Young Inc. will be engaged at the Obligors' cost and expense;
- (b) the Obligors will enter into an amendment to the Credit Agreement in the form attached as Schedule "A"; and
- (c) the Obligors will not commit any further defaults under the Credit Agreement or any Loan Document (as such term is defined in the Credit Agreement); and
- (d) Fiera Private Debt Fund V LP and each Obligor provides its written consent to extend to March 31, 2020 the \$13,500,000.00 ATB Debt Cap (as defined in the Priority Agreement Specified Collateral made effective as of November 5, 2019).

ATB has not waived any events of default (including, but not limited to the Defaults described in the Notices) which occurred prior to the date hereof, nor has it waived any rights or remedies arising from the occurrence of any such event of default or any rights or remedies which ATB may have in relation to the Credit Agreement and the Loan Documents. All rights and remedies arising therefrom are specifically reserved and preserved by ATB.

In addition, nothing in this letter constitutes an acquiescence on the part of ATB with respect to any default (including, without limitation, any Default) on the part of any Obligor or waiver in relation to such default.

By reason of the Defaults and notwithstanding anything else set out in this letter or the Notices, if at any time (including prior to March 31, 2020) ATB in its sole and absolute discretion believes for any reason that the prospect for the repayment of all present and future debt to ATB, or the priority of ATB's collateral security, is at any time in jeopardy, ATB reserves the right without any further demand or notice to take such acts and proceedings as are available to ATB according to law to preserve and protect its position.

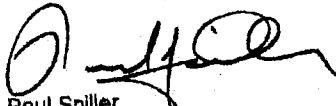
All acknowledgments, representations, conditions, warranties, releases and waivers given by the Obligors in the Credit Agreement, any Loan Document, any document given pursuant to this letter, or any agreement or other document evidencing the loans and credit provided pursuant to the Credit Agreement, including without limitation, any promissory note, lending agreement, loan agreement, account agreement, credit agreement and/or equipment facility agreement, shall survive the execution of this letter and delivery of the remaining documents contemplated by this letter and shall survive the expiration of the March 31, 2020 date, or any legal proceedings and shall continue in full force and effect for the benefit of ATB.

The Obligors acknowledge that other than as set out in this letter, ATB has made no representation or warranty of any kind to the Obligors. This letter supersedes any and all prior understandings or agreements, oral or written relating to the subject matter hereof.

Yours sincerely,

ATB Financial

Per:


Paul Spiller
Sr. Director, Energy Services

Cc. Canadian Aggregate Resources Corp.
Fiera Private Debt Fund V LP
541466 Alberta Ltd.




Acknowledged and agreed to by:

JMB CRUSHING SYSTEMS INC.

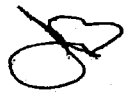
Per: 
Authorized Signatory

EASTSIDE ROCK PRODUCTS, INC.

Per: 
Authorized Signatory

2161889 ALBERTA LTD.

Per: 
Authorized Signatory



Schedule A



January 29, 2020

JMB Crushing Systems Inc.
9046 22 Avenue SW
Edmonton, AB T6X 0J9

Attention: Jeff Buck, President

Dear Sir:

Reference is made to the Commitment Letter dated October 16 2019 as amended, supplemented, restated or replaced from time to time (the "Original Commitment Letter"). All capitalized terms used herein but not defined shall have the meaning given to them in the Original Commitment Letter.

Please be advised that ATB Financial has amended the following items as outlined in the Original Commitment Letter:

1. Amendment to Section 1(ii). Interest Rates and Prepayment as follows:
Pricing applicable to Facility #1 is as follows:
 - Prime-based loans: Interest is payable in Canadian dollars at Prime plus 3.75% per annum
2. Amendment to Section 2(a) as follows:
Non-refundable renewal fee of \$33,750.00 is payable upon acceptance of this Amendment whether or not any Borrowing is extended.
3. Amendment to Section 11 as follows:
All demand Facilities are subject to review by Lender at any time in its sole discretion and at least annually without limiting Lender's right to make demand at any time. The next review date has been set for March 31, 2020 but may be set at an earlier or later date at the sole discretion of the Lender.

All other terms and conditions of the Original Commitment Letter remain unchanged and in full force and effect.

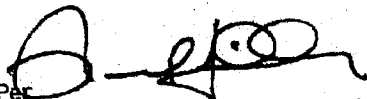
The Borrower certifies that the representations and warranties set forth in the Original Commitment Letter are true and correct in all material respects on the date hereof.

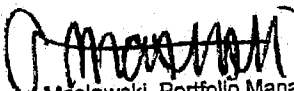
Thank you.

Yours Truly,

ATB Financial


Please return the enclosed duplicate letter signed as indicated below prior to January 31, 2020. This letter may be executed electronically; this letter may be delivered by email, facsimile or other functionally-equivalent electronic means.

Per: 
Paul Spiller, Sr. Director Energy Services

Per: 
Carmen Maslowski, Portfolio Manager


Acknowledged and accepted this _____ day of _____, 2020.

JMB Crushing Systems Inc.

Per: 
Name: Jeff Buck
Title: President

Each of the undersigned, in their capacity as Guarantor of Borrower, acknowledges and agrees to this Agreement as of this _____ day of _____, 2020 and acknowledges that Lender has made no representation or warranty of any kind as to the realization on the undersigned's guarantee (or any collateral security therefor) other than as expressly set forth in this Agreement and that such guarantee is confirmed. Each of the undersigned further acknowledges that this Agreement and the documents referred to in this Agreement may be amended, supplemented, restated, modified, or renewed without the undersigned's consent and without reducing, restricting or otherwise limiting the undersigned's liability in any way.

Eastside Rock Products, Inc.

Per: 
Name:
Title:

2161889 Alberta Ltd.

Per: 
Name:
Title:



Attachment 1

A small, handwritten mark or signature located in the bottom right corner of the page. It consists of several overlapping loops and lines, resembling a stylized signature or initials.

December 13, 2019

DELIVERED BY EMAIL AND COURIER

JMB Crushing Systems Inc.
9046-22 Avenue SW
Edmonton AB T6X 0J9

Attention: Jeff Buck

2161889 Alberta Ltd.
c/o JMB Crushing Systems Inc.
PO Box 6977
Bonnyville, AB T9N 2H4

Attention: Jeff Buck

Eastside Rock Products Inc.
1000-2nd Avenue, Suite 3210
Seattle, Washington, 98104

Eastside Rock Products Inc.
c/o JMB Crushing Systems Inc.
PO Box 6977
Bonnyville, AB T9N 2H4

Attention: Jeff Buck

Blake Cassels & Graydon LLP
3500 East Tower, Bankers Hall
855-2nd Street SW
Calgary, AB T2P 4J8

Attention: Dan Macleod

Re: ATB Financial ("ATB") loans and credit to JMB Crushing Systems Inc. (the "Borrower") governed by the October 16, 2019 Credit Agreement made between ATB, the Borrower and Eastside Rock Products Inc. and 2161889 Alberta Ltd. (the "Guarantors") as Guarantors (the "Credit Agreement")

This letter constitutes notice of the Borrower and Guarantors' defaults to ATB under the Credit Agreement. Save as otherwise defined in this letter, all capitalized terms referred to in this letter shall have the meaning set forth in the Credit Agreement.

The Borrower and the Guarantors have defaulted as follows (collectively the "Defaults"):

- (a) failure to comply with the reporting requirements set out in Section 8 of the Credit Agreement;
- (b) breach of the restrictions section out in Section 9 of the Credit Agreement without obtaining ATB's prior written consent; and
- (c) breach of Section 7(a) of the Credit Agreement by failing to pay out and cancel the Canadian Western Bank letter of credit facility for up to CDN \$750,000 and failure to cause the Canadian Western Bank security in respect of such letter of credit facility to be released and discharged by May 22, 2019 as required by the Consent Agreement dated March 22, 2019 (the "ATB Consent").

It is also apparent that the Borrower and Guarantors will not be able to provide the 2018 financial statements completed in accordance with IFRS standards by the December 31, 2019 deadline which also will constitute a Default.

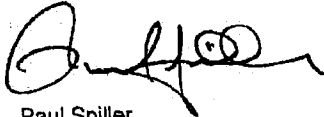
Without prejudice to ATB's continuing rights and remedies under the Credit Agreement and Security Document, ATB requires all Defaults to be cured by no later than January 15, 2020.

By reason of the above Defaults and notwithstanding anything else set out in this letter, ATB continues to reserve its rights, without any further demand or notice upon the Borrower and Guarantors, to exercise ATB's rights and remedies as agreed in Credit Agreement. If any material change occurs which causes ATB to believe that the prospect for the repayment of all present and future debt to ATB, or the priority of ATB's collateral security, is at any time in jeopardy, ATB reserves the right to take such proceedings as should be available to ATB according to law to preserve and protect its position.

We also remind you that pursuant to Section 1(a) of the Credit Agreement and Section 5 of the Amended and Restated Priority Agreement dated November 5, 2019 among the Borrower, the Guarantors, ATB Financial and Fiera Private Debt Fund V LP, Facility #1 will reduce from \$13,500,000.00 to \$10,000,000.00 effective January 1, 2020.

Yours sincerely,

ATB Financial
Per:



Paul Spiller

Cc: Canadian Aggregate Resources Corp.
Fiera Private Debt Fund V LP
541466 Alberta Ltd.



Attachment 2

A handwritten signature or set of initials, possibly 'JB', located in the bottom right corner of the page.

December 23, 2019

DELIVERED BY EMAIL AND COURIER

JMB Crushing Systems Inc.
9046-22 Avenue SW
Edmonton AB T6X 0J9

Attention: Jeff Buck

2161889 Alberta Ltd.
c/o JMB Crushing Systems Inc.
PO Box 6977
Bonnyville, AB T9N 2H4

Attention: Jeff Buck

Eastside Rock Products Inc.
1000-2nd Avenue, Suite 3210
Seattle, Washington, 98104

Eastside Rock Products Inc.
c/o JMB Crushing Systems Inc.
PO Box 6977
Bonnyville, AB T9N 2H4

Attention: Jeff Buck

Blake Cassels & Graydon LLP
3500 East Tower, Bankers Hall
855-2nd Street SW
Calgary, AB T2P 4J8

Attention: Dan Macleod

Re: ATB Financial ("ATB") loans and credit to JMB Crushing Systems Inc. (the "Borrower") governed by the October 16, 2019 Credit Agreement made between ATB, the Borrower and Eastside Rock Products Inc. and 2161889 Alberta Ltd. (the "Guarantors") as Guarantors (the "Credit Agreement")

This letter is further to ATB's December 13, 2019 letter providing notice of the Borrower and Guarantors' defaults under the Credit Agreement (the "Notice of Default"). Save as otherwise defined in this letter, all capitalized terms referred to in this letter shall have the meaning set forth in the Notice of Default, a copy of which is attached for reference.

The Notice of Default provides a deadline of January 15, 2020 for the Borrower and Guarantors to cure the Defaults. However, after discussing the Defaults with the Borrower, ATB has agreed to extend the deadline to cure such Defaults to January 31, 2020.

Accordingly, without prejudice to ATB's continuing rights and remedies under the Credit Agreement and Security Documents (as such term is defined in the Credit Agreement), ATB requires all Defaults to be cured by no later than January 31, 2020.

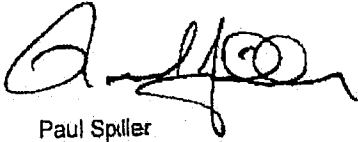
By reason of the Defaults and notwithstanding anything else set out in this letter or the Notice of Default, ATB continues to reserve its rights, without any further demand or notice upon the Borrower and/or Guarantors, to exercise ATB's rights and remedies as agreed in the Credit Agreement. If any material change occurs which causes ATB to believe that the prospect for the repayment of all present and future debt to ATB, or the priority of ATB's collateral security, is at any time in jeopardy, ATB reserves the right to take such proceedings as should be available to ATB according to law to preserve and protect its position.



Yours sincerely,

ATB Financial

Per:




Paul Spiller

Cc: Canadian Aggregate Resources Corp.
Fiera Private Debt Fund V LP
541466 Alberta Ltd.



THIS IS EXHIBIT "R" REFERRED TO IN
THE AFFIDAVIT OF JEFF BUCK
SWORN BEFORE ME
THIS 16 DAY OF APRIL, 2020


A Commissioner of Oaths and Notary Public
in and for the Province of Alberta

Alex Matthews
Barrister & Solicitor



COURT FILE NO. 2001-

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.

DOCUMENT CONSENT TO ACT AS MONITOR

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION
OF PARTY
FILING THIS
DOCUMENT

Gowling WLG (Canada) LLP
1600, 421 - 7th Avenue SW
Calgary, AB T2P 4K9

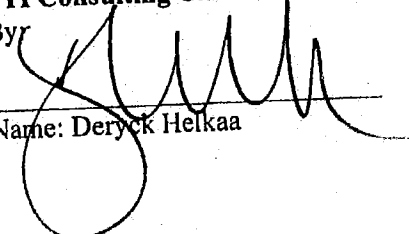
Attn: **Tom Cumming/Caireen E. Hanert/Alex Matthews**
Telephone: 403.298.1938/403.298.1992/403.298.1018
Facsimile: (403) 263.9193
File No.: A163514

FTI Consulting Canada Inc., a licensed trustee in bankruptcy, does hereby consent to act as monitor of JMB Crushing Systems Inc. and 2161889 Alberta Ltd., if so ordered by this Honourable Court.

DATED at Calgary, Alberta and effective this 9 day of April, 2020.

FTI Consulting Canada Inc.

By


Name: Deryck Helkaa

THIS IS EXHIBIT "S" REFERRED TO IN
THE AFFIDAVIT OF JEFF BUCK
SWORN BEFORE ME
THIS 16 DAY OF APRIL, 2020



A Commissioner of Oaths and Notary Public
in and for the Province of Alberta

Alex Matthews
Barrister & Solicitor



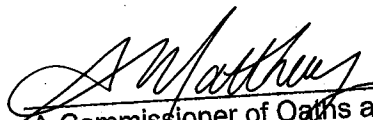
JMB Crushing Systems Inc.
Cash Flow Statement (Note 1)

Week Ending	17 Apr 20	24 Apr 20	1 May 20	8 May 20	15 May 20	22 May 20	29 May 20	5 Jun 20	12 Jun 20	19 Jun 20	26 Jun 20	Total	Notes
Opening Cash	\$	\$ 411,449	\$ 59,849	\$ 1,441,693	\$ 877,337	\$ 1,559,408	\$ 963,853	\$ 892,290	\$ 881,420	\$ 1,397,386	\$ 735,991	\$	2
Cash Receipts			3,499,511	583,618	770,622	7,300		1,053,166			651,466	1,845,311	
Collection of Pre-Filing AR - Ellis Don								742,378			551,466		
Collection of Pre-Filing AR - MD of Bonnyville			1,765,524									651,466	9,529,051
Collection of Post-Filing AR - MD of Bonnyville			5,265,935	583,618	770,622	7,300		1,795,544	551,466				
Total Receipts													
Operating Disbursements		(220,000)	(236,000)	(220,000)		(220,000)			(220,000)		(220,000)		(1,336,000)
Payroll And Source Deductions			(2,843,288)			(1,355)				(6,944)			(2,851,486)
Pre-filing Sub-Contract Crushing			(378,000)	(499,000)				(478,500)					(1,353,500)
Post-filing Sub-Contract Crushing								(17,500)					(17,500)
Royalties				(285,000)				(345,000)					(630,000)
Fuel	(1,000)	(97,000)	(1,000)	(97,000)	(1,000)	(97,000)	(1,000)	(97,000)	(1,000)	(97,000)	(1,000)	(1,000)	(991,000)
Repair & Maintenance	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(110,000)
Office Administration	(3,500)	(3,500)	(3,500)	(3,500)	(3,500)	(3,500)	(3,500)	(3,500)	(3,500)	(3,500)	(3,500)	(3,500)	(38,500)
Insurance & Benefits	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(114,868)
Jobsite Lodging			(47,640)					(47,640)					(95,280)
Occupancy	(70,000)	(20,000)	(20,000)	(20,000)	(70,000)	(20,000)	(20,000)	(20,000)	(20,000)	(70,000)	(20,000)	(20,000)	(370,000)
Other	(88,551)	(351,500)	(3,623,291)	(1,147,974)	(88,551)	(52,855)	(61,563)	(1,206,414)	(35,500)	(411,393)	(35,500)	(7,563,894)	
Total Operating Disbursements													
Non-operating Disbursements			(260,000)			(250,000)	(10,000)			(250,000)	(10,000)	(780,000)	
Professional Fees								(500,000)					
DIP Financing	500,000		(260,000)			(260,000)	(10,000)	(500,000)		(250,000)	(10,000)	(780,000)	
Total Non-operating Disbursements													
Total Net Cash Flow	411,449	(351,500)	1,381,744	(564,356)	682,071	(595,655)	(71,663)	(10,870)	815,966	(661,393)	505,966	1,241,838	
Ending Cash	\$ 411,449	\$ 69,849	\$ 1,441,693	\$ 877,337	\$ 1,559,408	\$ 963,853	\$ 892,290	\$ 881,420	\$ 1,397,386	\$ 735,991	\$ 1,241,838	\$ 1,241,838	

Notes

- 1 The Cash Flow Statement has been prepared to set out the liquidity requirements of JMB Crushing during the 11 weeks ending June 26, 2020 under a planned Companies' Creditors Arrangement Act proceeding (the "CCAA Proceedings") commencing on April 13, 2020.
- 2 The Company is forecasting to have no cash on hand or availability at the commencement of CCAA proceedings.
- 3 Cash receipts relate to amounts due from Ellis Don and MD of Bonnyville. The collections will likely be contingent on payment of liable payables in respect of the contracts. No other contracts are expected to result in cash receipts during the forecast period. The Company's Special Areas contract is assumed to be disclaimed immediately following commencement of the CCAA Proceedings.
- 4 Payroll and source deductions includes a source deduction arrears payment of \$236,000 to be made during the week of May 1, 2020; otherwise, payroll is made on a bi-weekly schedule including source deductions.
- 5 Subcontractor payments include arrears payments of approximately \$4.2 million including potentially liable payables as well as normal course payments.
- 6 Royalties relate to current royalties in respect of ongoing operations. Arrears royalty payments are assumed to not be paid.
- 7 Operating expenses are forecast based on current run rates and are assumed to be paid on a COD basis.
- 8 Other disbursements includes miscellaneous payments and \$50,000 a month of contingent costs.
- 9 Professional fees relate to the Company's legal counsel, the Monitor, the Monitor's legal counsel, the sales agent and an operational consultant.
- 10 DIP financing of \$500,000 has been forecasted during the week ending April 17, 2020. In the event the receipts of MD of Bonnyville are not collected as forecasted, there is potential to require additional interim financing during the week ending May 1, 2020. DIP financing is assumed to be advanced on a priority senior secured basis.

THIS IS EXHIBIT "T" REFERRED TO IN
THE AFFIDAVIT OF JEFF BUCK
SWORN BEFORE ME
THIS 16 DAY OF APRIL, 2020



A Commissioner of Oaths and Notary Public
in and for the Province of Alberta

Alex Matthews
Barrister & Solicitor



April 6, 2020

JMB Crushing Systems Inc.
PO Box 6977
Bonnyville, AB T9N2H4

Attention: **Jeff Buck, President**
jeffb@jmbcrush.com

Dear Sir:

Re: Interim Financing Term Sheet for JMB Crushing Systems Inc. and 2161889 Alberta Ltd.

Canadian Aggregate Resource Corporation ("**CARC**") is prepared to provide a super-priority interim credit facility (the "**Interim Facility**") to JMB Crushing Systems Inc. ("**JMB**") and 2161889 Alberta Ltd. ("**216**") to finance its working capital requirements during its proceedings under the Companies' Creditors Arrangement Act (the "**CCAA**", and such proceedings, the "**CCAA Proceedings**"). Subject to the preparation and execution of a definitive letter loan agreement and such other loan and security documents as CARC may require (the "**Definitive Documents**"), and the satisfaction or waiver of the conditions precedent set out in the Definitive Documents, CARC is prepared to create the Interim Facility in favour of JMB and 216. Until the Definitive Documents have been entered into, the proposal to create the Interim Facility is non-binding and solely for discussion purposes.

It is anticipated that JMB and 216 will apply to the Court of Queen's Bench of Alberta (the "**Court**") for an initial order under the CCAA (the "**Initial Order**") as soon as possible after the execution of this term sheet. It is anticipated that the Court will appoint FTI Consulting Canada Inc. as monitor (in such capacity, the "**Monitor**") in the CCAA Proceedings.

The following is an outline, in summary format, of proposed terms and conditions governing the Interim Facility:

Borrower:	JMB and 216 (collectively, the " Borrowers ")
Lender:	CARC (the " Lender ")
Interim Facility:	Revolving, first priority interim credit facility in the maximum amount of Cdn. \$500,000
Interest:	10% per annum, calculated and compounded daily and payable monthly on the last business day of each month
Commitment Fee:	None
Term:	On the earlier of the following termination events: (i) the last banking day of the twelfth (12 th) month following the commencement of the CCAA Proceedings; (ii) the implementation of a Plan; (iii) the completion of a recapitalization or sale of substantially all of the Borrowers' assets pursuant to a sale, refinancing and investment solicitation process (the " SISP "); (iv) the termination of the CCAA Proceedings, or (v) the occurrence and continuance of an Event of Default (as defined below) and the Lender demanding repayment of the indebtedness, liabilities and obligations of the Borrowers under the Interim Facility and the

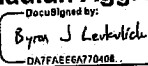
	Definitive Documents (the " Obligations "), whereupon, in each case, the Interim Facility shall terminate and the Obligations shall be immediately due and payable.
Purpose:	The Interim Facility will fund the working capital requirements of the Borrowers during the CCAA Proceedings, but except to the extent permitted by the Court and contemplated by the Cash Flow Statements (as defined below), no advances under the Interim Facility will be used to pay indebtedness of the Borrowers which arose prior to the commencement of the CCAA Proceedings.
Security:	The Obligations shall be secured by a charge (the " Interim Facility Charge ") created by the Initial Order of the Court against all of the present and after-acquired real and personal property of the Borrowers of any kind whatsoever, securing a maximum principal amount equal to C\$500,000 plus interest and costs, and ranking in priority to all other mortgages, charges, security interests, liens, trust claims or other encumbrances of any kind whatsoever other than a charge created by the Court in favour of the Monitor, the Monitor's counsel and the Borrower's counsel in the maximum amount of \$300,000, but in priority to a charge created by the Court in favour of the directors and officers of the Borrowers.
Conditions Precedent:	The Interim Facility will become effective upon the satisfaction or waiver of conditions precedent customary for interim financings in proceedings under the CCAA, including (1) the execution and delivery of the Definitive Documents; (2) the Court pronouncing the Initial Order, which Initial Order shall be in form and substance satisfactory to the Lender; (3) the stay of proceedings provided for in the Initial Order shall be extended at the ten (10) day comeback hearing (the " Comeback Hearing ") before the Court; (4) the Initial Order shall not have been stayed, vacated, appealed, or otherwise caused to be ineffective or amended, restated or modified in any manner that adversely affects the Lender; (5) no Event of Default shall have occurred and be continuing, and no Event of Default will result from giving effect to an advance under the Interim Facility; and (6) the Lender shall be satisfied with the rolling thirteen (13) week cash flow forecasts prepared by the Borrowers and reviewed favourably by the Monitor and the weekly up-dates thereof rolling forward the forecasts and setting out any variances between forecasted and actual revenues and expenditures (the " Cash Flow Statements ").
Representations and Warranties:	The Definitive Documents will contain representations and warranties by the Borrower that are customary for interim financings in proceedings under the CCAA.
Positive Covenants:	Until the Interim Facility is terminated and the Obligations are repaid in full, in addition to positive covenants customary for interim financings in proceedings under the CCAA, the Borrowers shall: (1) comply with all Orders of the Court in the CCAA Proceedings; (2) apply for the Court's approval of the SISF at the Come Back Hearing pursuant to an Order in form and substance satisfactory to the Lender; (3) provide any information required by the Lender and/or the Monitor; (4) update the Cash Flow Statements on a weekly basis and deliver the updated Cash Flow Statements to the Lender and Monitor on the Tuesday of the week following the rolling starting week of such Cash Flow Statements.

Negative Covenants:	Until the Interim Facility is terminated and the Obligations are repaid in full, in addition to negative covenants customary for interim financings in proceedings under the CCAA, the Borrowers shall not: (1) apply for or consent to any Orders of the Court that would materially and negatively affect the interests of the Lender without the prior written consent of the Lender; (2) disclaim any material contract without the prior written consent of the Lender; and (3) purport to classify the Obligations as affected claims in any plan of compromise and arrangement of the Borrowers under the CCAA.
Events of Default:	The Lender shall be entitled to terminate the Interim Facility, demand repayment in full of the Obligations and enforce its rights under the Interim Financing Charge upon the occurrence and during the continuance of any events of default customary for interim financings in proceedings under the CCAA.
Fees and Expenses:	All out-of-pocket fees and expenses, including legal fees and disbursements in connection with the Interim Facility, Definitive Documents and CCAA Proceedings will be payable by the Borrowers and form part of the Obligations.
Governing Law:	The Definitive Documents shall be governed by the laws of the Province of Alberta and the federal laws of Canada applicable therein.

This term sheet may be executed in as many counterparts as may be convenient or required and all counterparts shall collectively constitute a single instrument.

If the terms and conditions outlined in this term sheet are acceptable to the Borrowers, please execute the acknowledgement set out below.

Canadian Aggregate Resource Corporation

By: 
Name: Byron J Levkulich
Title: Director

The undersigned acknowledge that they are seeking from CARC an Interim Facility on the terms set out in this terms letter.

JMB Crushing Systems Inc.

By: _____
Name:
Title:

2161889 Alberta Ltd.

By: _____
Name:
Title:



Negative Covenants:	Until the Interim Facility is terminated and the Obligations are repaid in full, in addition to negative covenants customary for interim financings in proceedings under the CCAA, the Borrowers shall not: (1) apply for or consent to any Orders of the Court that would materially and negatively affect the interests of the Lender without the prior written consent of the Lender; (2) disclaim any material contract without the prior written consent of the Lender; and (3) purport to classify the Obligations as affected claims in any plan of compromise and arrangement of the Borrowers under the CCAA.
Events of Default:	The Lender shall be entitled to terminate the Interim Facility, demand repayment in full of the Obligations and enforce its rights under the Interim Financing Charge upon the occurrence and during the continuance of any events of default customary for interim financings in proceedings under the CCAA.
Fees and Expenses:	All out-of-pocket fees and expenses, including legal fees and disbursements in connection with the Interim Facility, Definitive Documents and CCAA Proceedings will be payable by the Borrowers and form part of the Obligations.
Governing Law:	The Definitive Documents shall be governed by the laws of the Province of Alberta and the federal laws of Canada applicable therein.

This term sheet may be executed in as many counterparts as may be convenient or required and all counterparts shall collectively constitute a single instrument.

If the terms and conditions outlined in this term sheet are acceptable to the Borrowers, please execute the acknowledgement set out below.

Canadian Aggregate Resource Corporation

By: _____

Name:
Title:

The undersigned acknowledge that they are seeking from CARC an Interim Facility on the terms set out in this terms letter.

JMB Crushing Systems Inc.

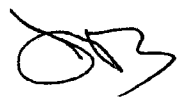
By: 

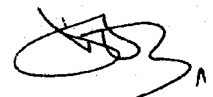
Name:
Title:

2161889 Alberta Ltd.

By: 

Name:
Title:



A handwritten signature in black ink, consisting of a circular loop followed by a series of strokes that resemble the letters 'S' and '3', ending with a small arrowhead pointing to the right.