



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

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

JS
 Nov. 27, 2020

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

CLAIMANT RBEE AGGREGATE CONSULTING LTD.

DOCUMENT AFFIDAVIT

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
 Bishop & McKenzie LLP
 2300, 10180 – 101 Street
 Edmonton, AB, T5J 1V3
 Telephone: 780-426-5550
 Facsimile: 780-426-1305
 Attention: Jerritt R. Pawlyk
 File No. 110151-003 JRP

AFFIDAVIT OF DAVID HOWELLS

Sworn on November 5th, 2020

I, David Howells, of the City of Fort Saskatchewan, in the Province of Alberta, SWEAR OATH AND SAY THAT:

1. I am a Director and Vice President of the Claimant, RBEE Aggregate Consulting Ltd. ("RBEE"), and as such I have personal knowledge of the facts and matters hereinafter deposed to, except where stated otherwise, in which case I believe the same to be true.

Prime and Subcontractor Agreements

2. I understand from my review of the records herein, and I do believe, that JMB Crushing Systems Inc. ("JMB") was a party to an agreement with The Municipal District of Bonnyville No. 87 (the "Municipality") dated November 1, 2013 (the "Prime Contract"). Pursuant to the Prime Contract, JMB was to provide certain product to the Municipality, including rock and gravel crushed to specifications required by the Municipality.
3. From my review of the records, and I do believe, the Prime Contract contains Paragraph 26, which creates a trust of "any salaries, wages, compensation, overtime pay, statutory holiday pay, vacation pay, entitlements, employee and employer Canada Pension Plan

contributions, employee and employer Employment Insurance contributions, Workers' Compensation premiums and assessments, income taxes, withholdings, GST and all costs directly or indirectly related to the Product and Services" from amounts paid by the Municipality to JMB.

4. On or around February 25, 2020, RBEE entered into a Subcontractor Services Agreement with JMB (the "Subcontractor Agreement"). Pursuant to the Subcontractor Agreement, RBEE agreed to perform services on behalf of JMB under the Prime Contract. A copy of the Subcontractor Agreement is attached to this Affidavit as **Exhibit "A"**.
5. Pursuant to the Subcontractor Agreement, RBEE's services consisted of crushing rock and gravel to required specifications (the "Product Services").

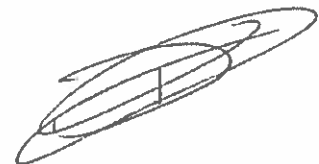
Invoices and Amounts Unpaid

6. RBEE performed the Product Services pursuant to the Subcontractor Agreement and rendered invoices for the Product Services to JMB.
7. In accordance with the Subcontractor Agreement, RBEE rendered the following invoices for the Product Services:

Date	Invoice	Invoice Total	Invoice Total (w/ GST)
March 2, 2020	259	\$236,196.00	\$248,005.80
March 31, 2020	266	\$663,804.00	\$696,994.20
April 16, 2020	270	\$474,428.00	\$498,149.40
May 10, 2020	278	\$72,045.82	\$75,648.11
	Total	\$1,446,473.82	\$1,518,797.51

(collectively, the "Invoices")

8. Attached to this Affidavit as **Exhibit "B"** are copies of the Invoices.
9. Attached to this Affidavit as **Exhibit "C"** is an Application for Progress Payment prepared by JMB and dated May 10, 2020, evidencing that RBEE had performed the Product Services to date of \$1,446,473.82 before GST, or \$1,518,797.51 inclusive of GST.
10. On or around April 3, 2020, RBEE received payment from JMB in respect of Invoice #259 in the full amount of \$248,005.80, inclusive of GST.
11. As of the date of this Affidavit, no further payment has been received by RBEE, and the remainder of the Invoices remain outstanding in the sum of **\$1,270,791.71**, inclusive of GST.
12. Attached hereto as **Exhibit "D"** are invoices dated February 29, 2020 to April 29, 2020 provided by JMB to the Municipality with respect to the Product Services provided by RBEE (the "JMB Invoices").



13. From my review of the records, and I do believe, the Municipality paid JMB for the JMB Invoices pursuant to the Prime Contract.
14. I swear this Affidavit despite not being physically present before the commissioner, but having been linked with the commissioner utilizing video technology and following the process described in the Notice to Profession NPP#2020-01: Remote Commissioning of Affidavits for Use in Civil and Family Proceedings During the COVID-19 Pandemic.

SWORN BEFORE ME at the City of
Edmonton, in the Province of Alberta
this 5th day of November, 2020



Commissioner for Oaths in and for the
Province of Alberta



DAVID HOWELLS

Monica Tran
Student at Law



COMMISSIONER'S CERTIFICATE

I, Monica Tran, certify that:

1. I am the Commissioner for Oaths named in the attached Affidavit of David Howells, sworn November 5, 2020, utilizing video technology; and
2. I am satisfied that the process for remote commissioning of the Affidavit using video technology was necessary because it was impossible or unsafe, for medical reasons, for the deponent and the commissioner to be physically present together.



Commissioner for Oaths in and for the Province of Alberta

November 5, 2020

Date

Monica Tran
Student-at-Law

This is Exhibit "A" referred to in the
Affidavit of DAVID HOWELLS
sworn before me this 5th day of November, 2020.



Commissioner for Oaths in and for
the Province of Alberta

Monica Tran
Student at Law



SUBCONTRACTOR SERVICES AGREEMENT

JMB CRUSHING SYSTEMS INC.

&

R BEE AGGREGATE CONSULTING LTD.

Services Agreement

31460765.6

A large, stylized handwritten signature or scribble in black ink, located in the bottom right corner of the page. It consists of several overlapping loops and lines, resembling a signature.

TABLE OF CONTENTS

1. INTERPRETATION	1
1.1 Definitions	1
1.2 Construction and Interpretation	2
1.3 Governing Law	2
2. SERVICES	3
2.1 Appointment.....	3
2.2 Application of the Prime Contract	3
2.3 Term	3
2.4 Standard of Care	3
2.5 Subcontractor's Representations	3
2.6 Compliance with Company Policies	4
2.7 Subcontractor's Certifications and Information	4
2.8 Compliance with Laws	4
2.9 Qualified Personnel	4
2.10 Replace Personnel	4
2.11 Independent Contractor	5
3. FEES AND PAYMENT	5
3.1 Fees	5
3.2 Payment Terms	5
3.3 Records	6
4. TERMINATION	6
4.1 Termination by Company	6
4.2 Suspension of Services	6
4.3 Termination by Subcontractor	7
4.4 Payment on Termination	7
5. INDEMNITY AND INSURANCE	7
5.1 Indemnification by Subcontractor	7
5.2 Indemnification by Company	7
5.3 Limitation of Liability	8
5.4 Insurance	8
5.5 No Consequential Damages.....	9
6. DISPUTE RESOLUTION	9
7. CONFIDENTIALITY	9
8. GENERAL	9
8.1 Entire Agreement	9
8.2 Amendment	10
8.3 Changes	10
8.4 Non-Exclusivity	10

Services Agreement



8.5	Independent Legal Counsel	10
8.6	Assignment and Enurement	10
8.7	Unenforceability	10
8.8	Waiver	10
8.9	Force Majeure	10
8.10	Language	11
8.11	Notices	11
8.12	Time	11
8.13	Counterparts	11

SCHEDULE A SERVICES

SCHEDULE B FEES

SCHEDULE C FORM OF STATUTORY DECLARATION



SUBCONTRACTOR SERVICES AGREEMENT

(JMB Contract No. C397-001)

THIS AGREEMENT is effective the 25th day of February, 2020.

BETWEEN:

JMB CRUSHING SYSTEMS INC., a body corporate having an office in the Town of Bonnyville in the Province of Alberta
(the "Company")

AND:

R BEE AGGREGATE CONSULTING LTD., a body corporate having an office in the Town of Gibbons in the Province of Alberta
(the "Subcontractor")

WHEREAS:

- A. the Company is a party to a terms and conditions agreement dated **November 1, 2013** with **The Municipal District of Bonnyville No. 87**, as amended from time to time thereafter, in respect of certain services (the "Prime Contract");
- B. the Company wishes to engage the Subcontractor as subcontractor to provide certain services, being the Services, for the Company under the Prime Contract at the direction of the Company's designate; and
- C. the Company and the Subcontractor have agreed to enter into this Agreement to provide for the terms and conditions of such engagement.

THEREFORE in consideration of the agreements and covenants set out in this Agreement, the Company and the Subcontractor agree as follows:

1. INTERPRETATION

1.1 Definitions

In this Agreement:

"Agreement" means this subcontractor services agreement, including all Schedules attached hereto;

"Business Day" means any day other than Saturday, Sunday or statutory holiday in the Province of Alberta;

"COR" has the meaning set out in Section 2.7(a);

"Des 1 Class 12.5" has the meaning set out in Schedule A;

"Des 2 Class 16" has the meaning set out in Schedule A;

"Fees" has the meaning set out in Section 3.1;

"Holdback Amount" has the meaning set out in Section 3.2(b);

"Notice" has the meaning set out in Section 8.11;

Services Agreement

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"Parties" means the Company and the Subcontractor, and "Party" means any one of them;

"Prime Contract" has the meaning set out in recital A;

"Product" or "Products" means the products produced from the Subcontractor's performance of the Services, being Des 1 Class 12.5 and/or Des 2 Class 16, as context requires.

"Services" means the services to be performed by the Subcontractor pursuant to this Agreement in respect of the production of the Products, as described in Schedule A attached hereto together with all other services, functions and responsibilities described in this Agreement and all ancillary services required to provide such services;

"Statutory Declaration" means a statutory declaration materially in the form as set forth in Schedule C, confirming that in respect of the invoiced Services, the Subcontractor has carried out its obligations hereunder and with respect to any applicable third party creditors; and

"Work Package" has the meaning set out in Schedule A.

1.2 Construction and Interpretation

In this Agreement, including the recitals to this Agreement, except where expressly stated to the contrary or the context otherwise requires:

- (a) the recitals and headings to Sections and Schedules are for convenience only and will not affect the interpretation of this Agreement;
- (b) each reference in this Agreement to "Section" and "Schedule" is to a Section of, and a Schedule to, this Agreement;
- (c) each reference to a statute is deemed to be a reference to that statute and any successor statute, and to any regulations, rules, policies and criteria made under that statute and any successor statute, each as amended or re-enacted from time to time;
- (d) words importing the singular include the plural and vice versa and words importing gender include all genders;
- (e) all references to amounts of money mean lawful currency of Canada;
- (f) an accounting term has the meaning assigned to it, and all accounting matters will be determined, in accordance with Canadian generally accepted accounting principles consistently applied;
- (g) the word "written" includes printed, typewritten, faxed, e-mailed or otherwise capable of being visibly reproduced at the point of reception and "in writing" has a corresponding meaning;
- (h) the words "include" and "including" are to be construed as meaning "including, without limitation"; and
- (i) this Agreement shall be construed as though both Parties drafted it.

1.3 Governing Law

This Agreement will be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable in therein.



2. SERVICES

2.1 Appointment

The Company hereby appoints the Subcontractor, and the Subcontractor hereby accepts the appointment, to perform the Services set out in Schedule A at the direction of the Company's representative set forth in Section 8.11. For greater certainty, nothing in this Agreement will purport to: (a) grant any right, power or authority, on behalf of or in the name of the Company, to participate in the management, direction or control of the Company or to relieve the Company of its obligations; and (b) provide the Subcontractor with any rights or title to the property of the Company for which the Services are being provided.

2.2 Application of the Prime Contract

The Company confirms that all relevant information and terms and conditions applicable to the Services from the Prime Contract have been made available to the Subcontractor or incorporated into Schedule A attached hereto. The Subcontractor confirms that such information, terms and conditions from the Prime Contract shall apply to this Agreement and that the Subcontractor shall comply and discharge all such subcontracted obligations under the Prime Contract, including in accordance with Schedule A. In the event any amendments to the Prime Contract that are applicable to the Services are agreed by the Company and its counterparty under the Prime Contract, the Company shall provide a reasonably detailed Notice thereof to the Subcontractor, and such amendments to the Prime Contract shall apply hereto. In the event of any conflict between the Prime Contract and this Agreement, the terms and conditions of this Agreement shall prevail, but only as necessary to resolve such conflict.

2.3 Term

This Agreement will be effective from the effective date until the earlier of:

- (a) the date on which each of the Subcontractor and the Company have fulfilled their obligations pursuant to this Agreement and any duties so subcontracted by Company to the Subcontractor under the Prime Contract, including the completion of the Services for both Work Packages, to the satisfaction of the Company, as confirmed by the Company by Notice; and
- (b) the date this Agreement is terminated in accordance with Section 4.

2.4 Standard of Care

The Subcontractor shall, at its expense, use reasonable efforts to ensure that: (a) the Services are performed continuously and diligently and in a good and workmanlike manner with a level of effort and a degree of care, skill and diligence normally provided by a qualified and experienced industry participant performing services similar to the Services in relation to services similar to those described in the Prime Contract and this Agreement; (b) no person, property, right or privilege is injured, damaged or infringed by reason of the activities of the Subcontractor or any member of its personnel, whether it is an employee, director, officer, agent or other representative of the Subcontractor, in the performance of the Services or any part thereof; (c) the health and safety of all persons employed in the performance of the Services is not endangered, and (d) any liens registered in any way relating to the Services are promptly vacated and discharged therefrom and any litigation against the Company pertaining thereto is immediately released. The Company may direct the Subcontractor to do such things or to refrain from doing anything which the Company considers reasonable and necessary to promote the objectives of this Section 2.4 and the Subcontractor shall at its expense comply with all such directions.

2.5 Subcontractor's Representations

The Subcontractor represents and warrants to the Company that:



- (a) it has and will have over the entire term of this Agreement the necessary personnel, office, equipment, organization, professional qualifications, permits, licences and expertise in order to provide the Services according to generally prevailing industry standards;
- (b) it shall act only in the best interests of the Company in carrying out its responsibilities, duties and obligations under this Agreement;
- (c) it is a corporation duly incorporated and validly existing under the laws of its jurisdiction of incorporation and has all necessary corporate power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement. The execution and delivery of this Agreement and the performance of the Subcontractor's obligations under this Agreement have been duly authorized by all necessary corporate action on the part of the Subcontractor; and
- (d) it is not a party to, bound or affected by or subject to any indenture, mortgage, lease, agreement, collective agreement, obligation, instrument, charter or by-law provision, statute, regulation, order, judgment, decree, licence, permit or law which would be violated, contravened or breached as a result of the execution and delivery of this Agreement or the performance by the Subcontractor of any of its obligations under this Agreement.

2.6 Compliance with Company Policies

The Subcontractor acknowledges and agrees that it will comply with all relevant policies and procedures of the Company, including with respect to health and safety practices, in its performance of the Services pursuant to this Agreement, and that it has had a chance to review same to its satisfaction prior to executing this Agreement.

2.7 Subcontractor's Certifications and Information

Prior to or concurrently with the execution of this Agreement, the Parties acknowledge and agree that the Subcontractor has provided reasonably satisfactory copies of the following to the Company:

- (a) the Subcontractor's Certificate of Recognition ("COR") or Small Employer COR, issued by Alberta Labour and Alberta Association for Safety Partnerships;
- (b) the Subcontractor's account number and coverage with the Workers' Compensation Board (Alberta); and
- (c) proof of the Subcontractor's insurance coverage, which is in accordance with the requirements of Section 5.4.

2.8 Compliance with Laws

In performing the Services, the Subcontractor will comply with all applicable laws.

2.9 Qualified Personnel

The Subcontractor will provide professional personnel who have the qualifications, experience and capabilities to perform the Services.

2.10 Replace Personnel

If the Company reasonably objects to the performance, experience, qualifications or suitability of any of the Subcontractor's personnel then the Subcontractor will, on written request from the Company, replace such personnel, within 10 Business Days from the receipt of the written request from the Company.

2.11 Independent Contractor

The Parties acknowledge that in entering into this Agreement and in performing the Services, the Subcontractor has and will have the status of an independent contractor and that nothing in this Agreement will contemplate or constitute the Subcontractor as a partner or employee of the Company for any purpose, and is exclusively a contract for service.


3. FEES AND PAYMENT

3.1 Fees

The Company will pay to the Subcontractor the fees and disbursements described in Schedule B (the "Fees") plus applicable taxes.

3.2 Payment Terms

- (a) The Subcontractor will submit monthly invoices to the Company for Fees (plus all applicable taxes) related to Services provided in the previous month in respect of the Work Packages, along with a Statutory Declaration in each case. Subject to the Holdback Amount in accordance with Section 3.2(b), the Company will pay all invoices within the earlier of: (i) 45 days from the date of such invoice from the Subcontractor; and (ii) 5 Business Days of the date of receipt by the Company of the corresponding payment from the counterparty under the Prime Contract. For certainty, the Company will have no obligation to pay the Subcontractor until Subcontractor has provided a Statutory Declaration in respect of any invoices for Fees.
- (b) In the Company's payment of any Fee invoices issued by the Subcontractor hereunder for the provision of Services, the Company shall be entitled to withhold an amount equal to 10% of the invoiced Fees for both Work Packages (the "Holdback Amount"), which will be paid to the Subcontractor as follows:
 - (1) upon the completion of both Work Packages and in connection with the termination of this Agreement pursuant to Section 2.3(a), the Subcontractor will provide its final invoices for Fees of the Work Packages and a corresponding Statutory Declaration in accordance with Section 3.2(a);
 - (2) at any time, the Company shall be entitled to a reasonable period of time to conduct verification activities in respect of the Work Packages, including drone surveys and reviewing county scale tickets, with the Company acting in good faith to complete such verification to its reasonable satisfaction; provided that if the Company cannot verify the completion of the Work Packages to its reasonable satisfaction, the Subcontractor will cooperate, acting reasonably, to assist the Company in its verification; and
 - (3) upon the completion of Sections 3.2(b)(1) and 3.2(b)(2) to the Company's reasonable satisfaction, the Company shall pay the entire Holdback Amount to the Subcontractor in accordance with Section 4.4.
- (c) If the Company disputes any portion of an invoice for Fees or cannot reasonably verify pursuant to Section 3.2(b)(2), then the Company shall notify the Subcontractor with details of the disputed amount and the Company may withhold the disputed amount, including, where applicable, portions of the Holdback Amount. For certainty, the Company is not



required to pay Fees for Services that are not performed to the Product specifications and other requirements of this Agreement. Disputed amounts hereunder may be subject to adjustments, as agreed to in writing by the Parties from time to time. If the Company and Subcontractor cannot resolve such disputed amounts; then the issue shall be referred to dispute resolution in accordance with Section 6.

- (d) The Subcontractor acknowledges that all costs and expenses directly and indirectly related to the performance of the Services are included within the applicable amounts paid by the Company through the Fees, which shall be the only amounts payable by the Company for the Services. From the Fees paid to the Subcontractor by the Company, the Subcontractor is deemed to hold the required amounts in trust that are required to pay for any salaries, wages, compensation, overtime pay, statutory holiday pay, vacation pay, entitlements, statutory withholdings and other required contributions and applicable taxes, and that the Subcontractor shall pay such foregoing amounts from such trust funds.
- (e) The Company may set-off and deduct any amounts payable to the Subcontractor against any financial obligation that the Subcontractor owes to the Company.

3.3 Records

- (a) If the Company reasonable requests, then the Subcontractor shall provide the Company daily, weekly, or monthly reports of labour hours by task, equipment hours and materials chargeable to the Company in accordance with Schedule B in connection with the Services. The Company shall approve or dispute in part or in whole such reports within 48 hours of receipt of the report otherwise it shall be deemed to be accepted.
- (b) The Subcontractor will prepare and maintain proper records related to the Services, including records, receipts and invoices relating to disbursements. On request from the Company, the Subcontractor will make the records available open to audit examination by the Company at any time during regular business hours during the time the Subcontractor is providing the Services and for a period of 2 years after the expiry of this Agreement.

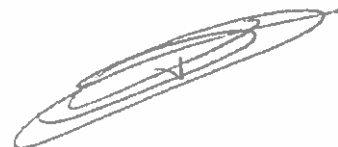
4. TERMINATION

4.1 Termination by Company

The Company may terminate this Agreement if the Subcontractor is adjudged bankrupt, or makes a general assignment for the benefit of creditors because of its insolvency, or if a receiver is appointed because of its insolvency, the Company may, without prejudice to any other right or remedy the Company may have, terminate this Agreement by giving the Subcontractor or receiver or trustee in bankruptcy Notice; or if the Subcontractor materially breaches its obligations under this Agreement and any such breach is not remedied to the reasonable satisfaction of the Company within 10 Business Days after delivery of Notice from the Company to the Subcontractor (or such longer period as may be agreed to by the Company), then the Company may, without prejudice to any other right or remedy the Company may have, terminate this Agreement by giving the Subcontractor further Notice.

4.2 Suspension of Services

At any time and without cause, the Company may suspend the Services or any portion thereof for a period of not more than ninety (90) days by Notice to the Subcontractor which will fix the date on which the Services will be resumed. The Subcontractor shall resume the Services on the date so fixed.



4.3 Termination by Subcontractor

The Subcontractor may terminate this Agreement if the Company is adjudged bankrupt, or makes a general assignment for the benefit of creditors because of its insolvency, or if a receiver is appointed because of its insolvency, the Subcontractor may, without prejudice to any other right or remedy the Subcontractor may have, terminate this Agreement by giving the Company or receiver or trustee in bankruptcy Notice; or if the Company materially breaches its obligations under this Agreement and any such breach is not remedied to the reasonable satisfaction of the Subcontractor within 10 Business Days after delivery of Notice from the Subcontractor to the Company (or such longer period as may be agreed to by the Subcontractor), then the Subcontractor may, without prejudice to any other right or remedy the Subcontractor may have, terminate this Agreement by giving the Company further Notice.

4.4 Payment on Termination

Within sixty (60) days or in accordance with the invoicing process set forth in Section 3.2, termination of this Agreement in accordance with Sections 2.3(a), 4.1 or 4.3, the Company will pay the Subcontractor's outstanding and unpaid Fees for services rendered by the Subcontractor up to the effective date of termination, including the Holdback Amount; provided that if this Agreement is terminated by the Company pursuant Section 4.1, the Company shall be entitled to deduct reasonable costs incurred by the Company as a result of such termination from the amounts paid to the Subcontractor in connection with this Section 4.4.

5. INDEMNITY AND INSURANCE

5.1 Indemnification by Subcontractor

The Subcontractor will be liable to, and will as a separate and independent covenant, indemnify and save harmless the Company, its respective subsidiary and affiliated companies, and all of its directors, officers, employees, agents, representatives and indemnities, from and against all claims, demands, causes of action, suits, losses, damages and costs, liabilities, expenses and judgments (including all actual legal costs) which any of the Company's indemnified parties incur, suffer or are put to arising out of or in connection with:

- (a) any failure, breach, misrepresentation, breach of representation or warranty or non-fulfillment of any covenant or obligation on the part of the Subcontractor under this Agreement or any wrongful or negligent act, error or omission of the Subcontractor or any official, director, employee, agent, sub-consultant or representative of the Subcontractor, and
- (b) any and all claims, actions, suits, proceedings, demands, assessments, judgments, costs and legal and other expenses arising from third parties or incident to any of the matters in Section 5.1(a),

except to the extent caused or contributed by breach of any provision of this Agreement by the Company, its directors, officers, employees, agents or representatives or any negligent act, omission or willful misconduct of or by any of them.

5.2 Indemnification by Company

The Company will indemnify and save harmless the Subcontractor and all of its directors, officers, employees, agents, representatives and indemnities, from and against all claims, demands, causes of action, suits, losses, damages and costs, liabilities, expenses and judgments (including all actual legal costs) which the Subcontractor's indemnified parties incur, suffer or are put to arising out of or in connection with:



- (a) any wrongful or negligent act of the Company or any official, employee, agent of the Company (other than the Subcontractor); and
- (b) any and all claims, actions, suits, proceedings, demands, assessments, judgments, costs and legal and other expenses arising from or incident to any of the matters in Section 5.2(a),

except to the extent caused or contributed by breach of any provision of this Agreement by or any negligent act, omission or willful misconduct of or by the Subcontractor, its directors, officers, employees, agents or representatives, indemnities or any of them.

5.3 Limitation of Liability

- (a) The Subcontractor's maximum liability to the Company in connection with any claim made by the Company in respect of the Services or this Agreement will not exceed the total amount of Fees anticipated to be paid under this Agreement in connection with the Prime Contract.
- (b) The Company's maximum liability to the Subcontractor in connection with any claim made by the Subcontractor in respect of this Agreement will not exceed the total amount of Fees anticipated to be paid under this Agreement in connection with the Prime Contract.
- (c) Neither Party shall be obligated to indemnify the other Party or its respective representatives to the extent that any losses suffered by such indemnified Party are paid in settlement from any applicable insurance policy.

5.4 Insurance

The Subcontractor will at its own cost and expense at all times during the term of this Agreement and for twelve (12) months following the completion of this Agreement, maintain the following policies of insurance:

- (a) comprehensive general liability insurance with a minimum of \$5,000,000 each occurrence, covering personal injury (including death) and property loss or damage, which at a minimum cover liabilities associated with or arising from the Subcontractor's premises, property or operations, and broad form contractual liability;
- (b) any applicable statutory workers' compensation insurance (as required in the jurisdiction where the Services are being performed or the employee is being employed) covering the Subcontractor's employees;
- (c) Automobile liability insurance covering all licensed automotive equipment used in connection with the Services with a minimum amount per occurrence of not less than \$5,000,000 covering the Subcontractor's automobiles; or as required by law, whichever is greater. Such insurance shall name the Company as Additional Insured; and
- (d) "All Risk" insurance in respect of the Subcontractor's office, plant and construction equipment, including tools and mobile equipment owned, rented or leased by the Subcontractor and automobiles not forming part of the permanent project works. Such insurance shall contain an issuer's waiver of all rights of subrogation against the Company or Company's assigns. Any deductible that is taken by the Subcontractor shall be for the account of the Subcontractor and shall have no right to claim back or subrogate against the Company .

5.5 No Consequential Damages

The liability of each Party with respect to a claim against the other under this Agreement is limited to direct damages only and neither Party will have any liability whatsoever for consequential or indirect loss or damage (such as, but not limited to, claims for loss of profit, revenue, production, business, contracts or opportunity and increased cost of capital, financing or overhead) incurred by the other Party except for third party damages of such other Party caused by the gross negligence or wilful misconduct of a Party.

6. DISPUTE RESOLUTION

Any disputes arising from this Agreement shall be settled through good faith negotiations between both Parties. In the case that no settlement can be reached through such negotiations, either Party may commence an action in respect of the dispute directly to the Courts of the Province of Alberta.

7. CONFIDENTIALITY

Confidential Information means all non-public information, whether disclosed before or after the effective date of this Agreement, that is conveyed from the one Party to the other, orally or in electronic or tangible form, or otherwise obtained by the receiving Party through observation or examination of the disclosing Party's operations or Confidential Information, and (i) is marked as "confidential," (ii) is orally designated by as "confidential" and confirmed in writing within thirty (30) days of disclosure, or (iii) due to the circumstances surrounding its disclosure would be reasonably construed as "confidential." Confidential Information does not include any information which (a) was rightfully in the possession of the Subcontractor prior to receiving it from the Company, (b) is independently developed by the Subcontractor without use of or reliance upon the Confidential Information from the Company, (c) was in the public domain at or subsequent to the time of disclosure (through no breach of the Subcontractor) or (d) is obtained in good faith from a third Party not under any obligation of confidentiality.

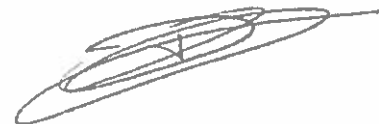
The Subcontractor acknowledges it has acquired and will acquire Confidential Information of the Company in connection with the performance of the Services. The Subcontractor shall:

- (a) during the term of this Agreement and indefinitely thereafter, treat Confidential Information as strictly confidential and shall not disclose or permit the disclosure of Confidential Information except to those officers and employees of the Subcontractor with a need to know, and upon whom confidentiality obligations have been imposed, or except as required by law;
- (b) during the term of this Agreement and for two years thereafter, not make use of Confidential Information other than as required for the sole and exclusive purpose of performing the Services; and
- (c) promptly return to the Company, upon written request, or provide confirmation of destruction of, all Confidential Information.

8. GENERAL

8.1 Entire Agreement

This Agreement contains the entire agreement of the Parties regarding the performance of the Services and no understandings or agreements, oral or otherwise, exist between the Parties except as expressly set out in this Agreement.



8.2 Amendment

This Agreement may be amended only by agreement in writing, signed by both Parties.

8.3 Changes

Changes to Schedule A – Services and Schedule B – Fees may occur from time to time. Such changes must be amended in writing and signed by both Parties.

8.4 Non-Exclusivity

The Parties acknowledge that this Agreement is non-exclusive and that either Party will be free, during and after the term of this Agreement, to engage or contract with third parties for the provision of services similar to the Services.

8.5 Independent Legal Counsel

The Parties acknowledge that they have each had the opportunity to obtain independent legal counsel with respect to the terms of this Agreement and that each Party has understood and accepted that advice and obtained such counsel or waived obtaining such counsel.

8.6 Assignment and Enurement

This Agreement shall not be assigned by either Party, without the prior consent of the other Party which shall not to be unreasonably withheld. This Agreement shall be binding upon the Parties respective administrators, trustees, receivers, successors and permitted assigns.

8.7 Unenforceability

If any provision of this Agreement is invalid or unenforceable, it will be severed from the Agreement and will not affect the enforceability or validity of the remaining provisions of the Agreement.

8.8 Waiver

No waiver by either Party of any breach by the other Party of any of its covenants, obligations and agreements will be a waiver of any subsequent breach or of any other covenant, obligation or agreement, nor will any forbearance to seek a remedy for any breach be a waiver of any rights and remedies with respect to such or any subsequent breach.

8.9 Force Majeure

- (a) In this Section 8.9, "Event of Force Majeure" means acts of God or public enemy, wars (declared or undeclared), revolution, riots, insurrections, civil commotions, fires, floods, slides, earthquakes, epidemics, quarantine restrictions, strikes or lockouts, including illegal work stoppages or slowdowns, or stop work orders issued by a court or statutory authorities (providing that such orders are not issued nor any such labour disputes occasioned as a result of an act or omission of either Party, or any one employed or retained by either Party), freight embargoes or power failures, or any event or circumstance which reasonably constitutes a material disabling event or circumstance, which is beyond the reasonable control of a Party, which does not arise from the neglect or default of a Party, and which results in material delay, interruption or failure by a Party in carrying out its duties, covenants or obligation under this Agreement, but which does not mean or include any delay caused by a Party's lack of funds or financial condition.
- (b) If any Party is *bona fide* delayed or hindered in or prevented from the performance of any obligation, covenant or other act required under this Agreement, by reason of an Event of Force Majeure, the said Party will be relieved from the fulfillment of such obligation,

covenant or act during the period of such interruption and the period for the performance of any such obligation, covenant or other act will be extended for a period equivalent to the period of such delay.

8.10 Language

All communication and documentation will be in English unless agreed otherwise.

8.11 Notices

Any notice, approval, election, demand, direction, consent, designation, request, agreement, instrument, certificate, report or other communication required or permitted to be given or made under this Agreement (each, a "Notice") to a Party must be given in writing. A Notice may be given electronically by electronic mail, and will be validly given if transmitted on a Business Day by email addressed to the following Party:

To the Company:

JMB Crushing Systems Inc.

Attention: Jason Panter

Email: jasonpanter@jmbcrush.com

With a copy to: admin@jmbcrush.com

To the Subcontractor:

R Bee Aggregate Consulting Ltd.

Attention: David Howells

Email: david@rbcruising.ca

or to any other e-mail address or individual that the Party designates in writing in accordance with this Section.

8.12 Time

Time is of the essence of this Agreement.

8.13 Counterparts

This Agreement may be executed in counterparts. Electronic signatures are binding and are considered to be original signatures.

(Signature page follows)

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the end.

IN WITNESS WHEREOF the Parties have duly executed this Agreement effective as of the day and year first above written

March 4/20

COMPANY:

SUBCONTRACTOR

JMB CRUSHING SYSTEMS INC.

R BEE AGGREGATE CONSULTING LTD.

By *[Signature]*
Authorized Representative

By *[Signature] (PRES)*
Authorized Representative

By _____
Authorized Representative
Jeff Buck
President

By *BERNIE REED*
Authorized Representative

[Signature]

SCHEDULE A

SERVICES

The Subcontractor shall provide the following services for and on behalf of the Company under the Prime Contract, which shall comprise the Services:

Products and Specifications

- The Subcontractor will perform crushing services of rock and gravel for the Company, with such rock and gravel sourced from the Company's properties and using only the Subcontractors equipment and tools, to produce the following aggregate Products in usable form, all as required by the Prime Contract:

- (1) Modified Designation 1 Class 12.5 mm in accordance with the following specifications in the table below from Alberta Transportation ("Des 1 Class 12.5"):

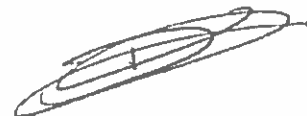
DESIGNATION		1
CLASS (MM)		12.5
PERCENT PASSING METRIC SIEVE (CGSB 8-GP-2M)	12 500	100
	10 000	83-92
	5000	55-70
	1250	26-45
	630	18-38
	315	12-30
	160	8-20
	80	4-20
% FRACTURE BY ALL WEIGHT (2 FACES) (All +5000)		60+
PLASTICITY INDEX (PI)		NP
L A ABRASION LOSS PERCENT MAXIMUM		40

- (2) Modified Designation 2 Class 16 mm in accordance with the following specifications in the table below from Alberta Transportation ("Des 2 Class 16"):

DESIGNATION		2
CLASS (MM)		16
PERCENT PASSING METRIC SIEVE (CGSB 8-GP-2M)	1600	100
	12 500	89-100
	10 000	78-94
	5000	55-70
	1250	26-45
	630	18-38
	315	12-30
	160	8-20
80	4-10	
% FRACTURE BY ALL WEIGHT (2 FACES) (All +5000)		60+
PLASTICITY INDEX (PI)		NP
L A ABRASION LOSS PERCENT MAXIMUM		50

- For certainty, the product specifications set out above, or otherwise agreed by the Parties in writing, shall be described generally as crushed gravel being Des 1 Class 12.5 and Des 2 Class 16.
- Upon completion of the crushing Services to the specifications as set forth above, the Subcontractor shall stockpile each of the Products separately on the Company's property, as directed by the Company from time to time and in accordance with good industry practices.

Services Agreement



Product Sourcing

- The Des 1 Class 12.5 Product will be sourced from the pit owned by the Company known as Shankowski and located at SW 21-56-7-4.
- The Des 2 Class 16 Product will be sourced from the pit owned by the Company known as Shankowski and located at SW 21-56-7-4.
- The Company will complete any required stripping work prior to the Subcontractor providing the Services.
- The Company will ensure reasonable access to the properties of the Company in relation to the provision of Services hereunder.

Product Quantity

- In completing the Services, the Subcontractor will crush and do any ancillary pit work (including gravel marshallng) to provide the following quantities of Products to the required specifications:

(1) 50,000 tonnes of Des 1 Class 12.5; and

(2) 150,000 tonnes of Des 2 Class 16

For certainty, the completion of the Services by the Subcontractor for each Product in the quantities set forth in (1) and (2) above shall be each a "Work Package".

Timing of Services

- Prior to May 15, 2020, unless otherwise directed by the Company in writing from time to time, the Subcontractor shall complete both Work Packages to the Company's reasonable satisfaction, as required by this Agreement.

Quality Control

- The Subcontractor will ensure that the quality of the Products meet the specifications herein.
- The Subcontractor will ensure that the variances from the specifications for Products do not deviate more than two percent (2%) from the required specifications. If the variance from the Product specifications continues to deviate from the required specifications for more than two (2) samplings by the Company without satisfactory correction by the Subcontractor, until the required specifications are met to the satisfaction of the Company, the Company reserves the right to reject Products that do not meet the required specifications. Should such deviation occur the Company will notify the Subcontractor by Notice prior to any further action.
- The Subcontractor will cooperate reasonably with the Company to allow the Company to perform its required quality control activities pursuant to the Prime Contract.



SCHEDULE B**FEEES**

The Subcontractor shall be reimbursed on a cost basis for its Services at the following rates for each of the Products (always in accordance with the requirements of Schedule A):

- (1) Des 1 Class 12.5: \$11.00 per tonne
- (2) Des 2 Class 16: \$6.00 per tonne

For certainty, the Subcontractor shall not be entitled to any reimbursement or other disbursement aside from as set out above, unless the Company expressly agrees in writing prior to the date that such expenses are incurred by the Subcontractor.



SCHEDULE C

FORM OF STATUTORY DECLARATION

In respect of the Subcontractor Services Agreement (the "Agreement") dated _____, 2020 between JMB Crushing Services Inc. (the "Company") and R Bee Aggregate Consulting Ltd. (the "Subcontractor")

TO WIT:

I, _____, in the _____, in the Province of Alberta, do solemnly declare that:

- 1. I am an officer of the Subcontractor holding the office of _____ and as such have personal knowledge of this Agreement and of the facts and matters stated herein;
- 2. the Subcontractor has discharged its obligations to date under the Agreement, subject to any listed exceptions below;
- 3. the Subcontractor has made full payment to all creditors for all labour, equipment, materials and services used in the performance of the Agreement to date, including to the Workers' Compensation Board and any applicable governmental authorities as required by law, subject to any listed exceptions below; and
- 4. there are no outstanding amounts or holdbacks retained from any such creditor, subject to any listed exceptions below,

Exceptions: [No Exceptions]

I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath.

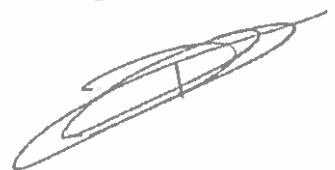
DATED _____

Signature of Declarant

DECLARED before me, _____, in the _____, in the Province of Alberta

DATED _____

A Commissioner for Oaths in and for the Province of Alberta

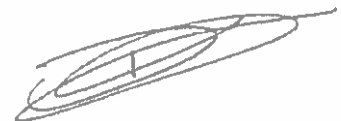


This is Exhibit "B" referred to in the
Affidavit of DAVID HOWELLS
sworn before me this 5th day of November, 2020.



Commissioner for Oaths in and for
the Province of Alberta

Monica Tran
Student at Law



RBEE Aggregate Consulting Ltd.

Box 1110
Gibbons, AB T0A 1N0

INVOICE

Invoice No.: 259
Date: Feb 01, 2020
Ship Date:
Page: 1
Re Order No.: RBJ 951 - Elk Point

Sold to:

JMB Crushing Systems Ltd.
PO Box 6977
Bonnyville, AB T9N 2H4

Ship to:

JMB Crushing Systems Ltd.
PO Box 6977
Bonnyville, AB T9N 2H4

Business No.: 788842680RT0001

Item No.	Unit	Quantity	Description	Tax	Unit Price	Amount
	Cubic Meter	39,366	RBJ 951 - Elk Point February 2020 2-16	G	6.00	236,196.00
			Subtotal:			236,196.00
			G - GST 5% GST/HST			11,809.80
Shipped By: _____ Tracking Number: _____					Total Amount	248,005.80
Comment: _____					Amount Paid	248,005.80
Sold By: _____					Amount Owing	0.00

RBEE Aggregate Consulting Ltd.

Box 1110
Gibbons, AB T0A 1N0

INVOICE

Invoice No.: 266
Date: Mar 31, 2020
Ship Date:
Page: 1
Re: Order No. RBJ951 - Elk Point

Sold to:

JMB Crushing Systems Ltd.
PO Box 6977
Bonnyville, AB T9N 2H4

Ship to:

JMB Crushing Systems Ltd.
PO Box 6977
Bonnyville, AB T9N 2H4

Business No.: 788842680RT0001

Item No.	Unit	Quantity	Description	Tax	Base Price	Disc %	Unit Price	Amount
	Cubic Meter	110,634	RBJ951 - Elk Point 2-16	G	6.00		6.00	663,804.00
			Subtotal:					663,804.00
			G - GST 5% GST/HST					33,190.20

Shipped By:	Tracking Number:		Total Amount	696,994.20
Comment:			Amount Paid	0.00
Sold By:			Amount Owning	696,994.20

RBEE Aggregate Consulting Ltd.

Box 1110
Gibbons, AB T0A 1N0

INVOICE

Invoice No.: 270
Date: Apr 16, 2020
Ship Date:
Page: 1
Re: Order No. RBJ951

Sold to:

JMB Crushing Systems Ltd.
PO Box 6977
Bonnyville, AB T9N 2H4

Ship to:

JMB Crushing Systems Ltd.
PO Box 6977
Bonnyville, AB T9N 2H4

Business No.: 788842680RT0001

Item No.	Unit	Quantity	Description	Tax	Base Price	Disc %	Unit Price	Amount
			RBJ 951 - Elk Point					
	Lumpsum Tonne	1 42,448	Stripping 12.5 MM	G G	7,500.00 11.00		7,500.00 11.00	7,500.00 466,928.00
			Subtotal:					474,428.00
			G - GST 5% GST/HST					23,721.40
Shipped By: _____ Tracking Number: _____							Total Amount	498,149.40
Comment: _____							Amount Paid	0.00
Sold By: _____							Amount Owing	498,149.40

RBEE Aggregate Consulting Ltd.

Box 1110
Gibbons, AB T0A 1N0

INVOICE

Invoice No.: 278
Date: May 10, 2020
Ship Date:
Page: 1
Re: Order No. PO #950158

Sold to:

JMB Crushing Systems Ltd.
PO Box 6977
Bonnyville, AB T9N 2H4

Ship to:

JMB Crushing Systems Ltd.
PO Box 6977
Bonnyville, AB T9N 2H4

Business No.: 788842680RT0001

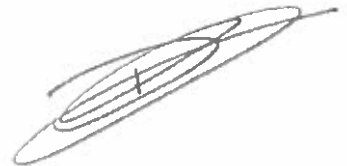
Item No.	Unit	Quantity	Description	Tax	Base Price	Disc %	Unit Price	Amount
	Cubic Meters	6,549.62	RBJ 951 - Elk Point 2-16	G	11.00		11.00	72,045.82
			Subtotal					72,045.82
			G - GST 5% GST/HST					3,602.29
Shipped By: _____ Tracking Number: _____							Total Amount	75,648.11
Comment: _____							Amount Paid	0.00
Sold By: _____							Amount Owing	75,648.11

This is **Exhibit "C"** referred to in the
Affidavit of DAVID HOWELLS
sworn before me this 5th day of November, 2020.



Commissioner for Oaths in and for
the Province of Alberta

Monica Tran
Student at Law

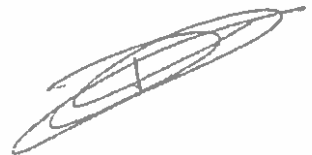


This is Exhibit "D" referred to in the
Affidavit of DAVID HOWELLS
sworn before me this 5th day of November, 2020.



Commissioner for Oaths in and for
the Province of Alberta

Monica Tran
Student at Law



JMB Crushing Systems Inc.

P.O. Box 6977
Bonnyville AB T9N 2H4
Work: 780-826-1774 Fax: 780-826-6280

Invoice

10790

February 29, 2020

Page: 1

MD of Bonnyville No.87
4905 - 50 Ave
Bag Service 1010
Bonnyville AB T9N 2J7

Qty	Description	Unit Price	Amount
39,366.00	Supply, Crush & Test to Stockpile Designation 2 Class 16 Material from the JMB Shankowski Pit SW-21-56-7 W4M Total Unit Cost \$31.00 per tonne; this billing represents 50% of total cost	\$15.50	610,173.00
		Subtotal	610,173.00
		Goods and Services Tax	30,508.65
		Invoice Total (CAD)	640,681.65

Terms: Due upon receipt

GST # 10266 5056 RT0001 (5%)

Customer Copy



JMB Crushing Systems Inc.

P.O. Box 6977

Bonnyville AB T9N 2H4

Work: 780-826-1774 Fax: 780-826-6280

Invoice

10834

MD of Bonnyville No.87

4905 - 50 Ave

Bag Service 1010

Bonnyville AB T9N 2J7

March 15, 2020

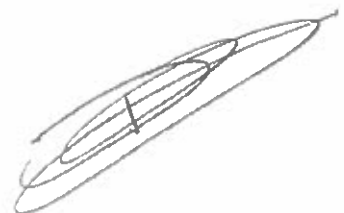
Page: 1

Qty	Description	Unit Price	Amount
48,980.00	Supply, Crush & Test to Stockpile Designation 2 Class 16 Material from the JMB Shankowski Pit (SW 21-56-7 W4M) Total unit cost \$31.00 per tonne; this billing represents 50% of total cost	\$15.50	759,190.00
		Subtotal	759,190.00
		Goods and Services Tax	37,959.50
		Invoice Total (CAD)	797,149.50

88,346 tonnes to date less 39,366 tonnes Invoice 10790 = 48,980 tonnes this billing

Terms: Due upon receipt

GST # 10266 5056 RT0001 (5%)



JMB Crushing Systems Inc.

P.O. Box 6977
Bonnyville AB T9N 2H4
Work: 780-826-1774 Fax: 780-826-6280

Invoice

10844

MD of Bonnyville No.87
4905 - 50 Ave
Bag Service 1010
Bonnyville AB T9N 2J7

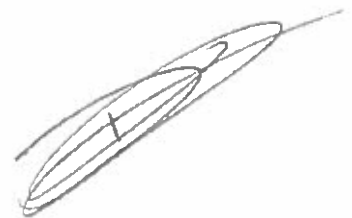
March 31, 2020
Page: 1

Qty	Description	Unit Price	Amount
61,654.00	Supply, Crush & Test to stockpile Designation 2 Class 16 Material from the JMB Shankowski Pit SW 21-56-7-W4M Total unit cost \$31.00 per tonne; this billing represents 50% of total cost	\$15.50	955,637.00
		Subtotal	955,637.00
		Goods and Services Tax	47,781.85
		Invoice Total (CAD)	1,003,418.85

150,000 tonnes to date less 39,366 tonnes (invoice 10790) & 48,980 tonnes (invoice 10834) = 61,654 tonnes this billing

Terms: Due upon receipt

GST # 10266 5056 RT0001 (5%)



JMB Crushing Systems Inc.

P.O. Box 6977

Bonnyville AB T9N 2H4

Work: 780-826-1774 Fax: 780-826-6280

Invoice

10845

March 31, 2020

Page: 1

MD of Bonnyville No.87

4905 - 50 Ave

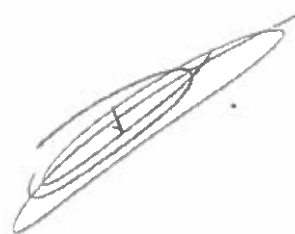
Bag Service 1010

Bonnyville AB T9N 2J7

Qty	Description	Unit Price	Amount
4,519.00	Supply, Crush & Test to stockpile Designation 1 Class 12.5 material at JMB Shankowski Pit (SW 21-56-7 W4M) Total unit cost \$33.28 per tonne; this billing represents 50% of total cost	\$16.64	75,196.16
		Subtotal	75,196.16
		Goods and Services Tax	3,759.81
		Invoice Total (CAD)	78,955.97

Terms: Due upon receipt

GST # 10266 5056 RT0001 (5%)



JMB Crushing Systems Inc.

P.O. Box 6977

Bonnyville AB T9N 2H4

Work: 780-826-1774 Fax: 780-826-6280

Invoice

10851

MD of Bonnyville No.87

4905 - 50 Ave

Bag Service 1010

Bonnyville AB T9N 2J7

April 15, 2020

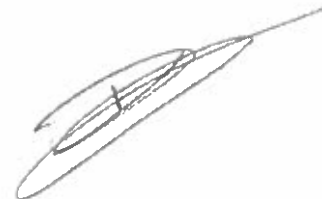
Page: 1

Qty	Description	Unit Price	Amount
42,448.00	Supply, Crush & Test to stockpile Designation 1 Class 12.5 material at JMB Shankowski Pit (SW 21-56-7 W4M) Total unit cost \$33.28 per tonne; this billing represents 50% of total cost	\$16.64	706,334.72
		Subtotal	706,334.72
		Goods and Services Tax	35,316.74
		Invoice Total (CAD)	741,651.46

46,967 Tonnes crushed to date; less 4,519 tonnes (Invoice 10845) = 42,448 tonnes this billing

Terms: Due upon receipt

GST # 10266 5056 RT0001 (5%)



JMB Crushing Systems Inc.

P.O. Box 6977
Bonnyville AB T9N 2H4
Work: 780-826-1774 Fax: 780-826-6280

Invoice

10861

April 29, 2020

Page: 1

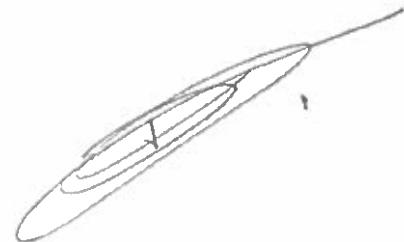
MD of Bonnyville No.87
4905 - 50 Ave
Bag Service 1010
Bonnyville AB T9N 2J7

Qty	Description	Unit Price	Amount
2,030.62	Supply, Crush & Test to stockpile Designation 1 Class 12.5 material at JMB Shankowski Pit (SW 21-56-7 W4M) Total unit cost \$33.28 per tonne; this billing represents 50% of total cost	\$16.64	33,789.52
		Subtotal	33,789.52
		Goods and Services Tax	1,689.48
		Invoice Total (CAD)	35,479.00

48,997.62 tonnes crushed to date; less 4,519 tonnes (Invoice 10845) & 42,448 tonnes (Invoice 10851) = 2,030.62 tonnes this billing

Terms: Due upon receipt

GST # 10266 5056 RT0001 (5%)



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

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

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

CLAIMANT RBEE AGGREGATE CONSULTING LTD.

DOCUMENT AFFIDAVIT

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Bishop & McKenzie LLP
2300, 10180 – 101 Street
Edmonton, AB, T5J 1V3
Telephone: 780-426-5550
Facsimile: 780-426-1305
Attention: Jerritt R. Pawlyk
File No. 110151-003 JRP

AFFIDAVIT OF DAVID HOWELLS

Sworn on November 5th, 2020

I, David Howells, of the City of Fort Saskatchewan, in the Province of Alberta, SWEAR OATH AND SAY THAT:

1. I am a Director and Vice President of the Claimant, RBEE Aggregate Consulting Ltd. ("RBEE"), and as such I have personal knowledge of the facts and matters hereinafter deposed to, except where stated otherwise, in which case I believe the same to be true.

Prime and Subcontractor Agreements

2. I understand from my review of the records herein, and I do believe, that JMB Crushing Systems Inc. ("JMB") was a party to an agreement with The Municipal District of Bonnyville No. 87 (the "Municipality") dated November 1, 2013 (the "Prime Contract"). Pursuant to the Prime Contract, JMB was to provide certain product to the Municipality, including rock and gravel crushed to specifications required by the Municipality.
3. From my review of the records, and I do believe, the Prime Contract contains Paragraph 26, which creates a trust of "any salaries, wages, compensation, overtime pay, statutory holiday pay, vacation pay, entitlements, employee and employer Canada Pension Plan

contributions, employee and employer Employment Insurance contributions, Workers' Compensation premiums and assessments, income taxes, withholdings, GST and all costs directly or indirectly related to the Product and Services" from amounts paid by the Municipality to JMB.

4. On or around February 25, 2020, RBEE entered into a Subcontractor Services Agreement with JMB (the "Subcontractor Agreement"). Pursuant to the Subcontractor Agreement, RBEE agreed to perform services on behalf of JMB under the Prime Contract. A copy of the Subcontractor Agreement is attached to this Affidavit as **Exhibit "A"**.
5. Pursuant to the Subcontractor Agreement, RBEE's services consisted of crushing rock and gravel to required specifications (the "Product Services").

Invoices and Amounts Unpaid

6. RBEE performed the Product Services pursuant to the Subcontractor Agreement and rendered invoices for the Product Services to JMB.
7. In accordance with the Subcontractor Agreement, RBEE rendered the following invoices for the Product Services:

Date	Invoice	Invoice Total	Invoice Total (w/ GST)
March 2, 2020	259	\$236,196.00	\$248,005.80
March 31, 2020	266	\$663,804.00	\$696,994.20
April 16, 2020	270	\$474,428.00	\$498,149.40
May 10, 2020	278	\$72,045.82	\$75,648.11
	Total	\$1,446,473.82	\$1,518,797.51

(collectively, the "Invoices")

8. Attached to this Affidavit as **Exhibit "B"** are copies of the Invoices.
9. Attached to this Affidavit as **Exhibit "C"** is an Application for Progress Payment prepared by JMB and dated May 10, 2020, evidencing that RBEE had performed the Product Services to date of \$1,446,473.82 before GST, or \$1,518,797.51 inclusive of GST.
10. On or around April 3, 2020, RBEE received payment from JMB in respect of Invoice #259 in the full amount of \$248,005.80, inclusive of GST.
11. As of the date of this Affidavit, no further payment has been received by RBEE, and the remainder of the Invoices remain outstanding in the sum of **\$1,270,791.71**, inclusive of GST.
12. Attached hereto as **Exhibit "D"** are invoices dated February 29, 2020 to April 29, 2020 provided by JMB to the Municipality with respect to the Product Services provided by RBEE (the "JMB Invoices").

13. From my review of the records, and I do believe, the Municipality paid JMB for the JMB Invoices pursuant to the Prime Contract.
14. I swear this Affidavit despite not being physically present before the commissioner, but having been linked with the commissioner utilizing video technology and following the process described in the Notice to Profession NPP#2020-01: Remote Commissioning of Affidavits for Use in Civil and Family Proceedings During the COVID-19 Pandemic.

SWORN BEFORE ME at the City of)
 Edmonton, in the Province of Alberta)
 this 5th day of November, 2020)
)
)
)
)
)
 _____)
 Commissioner for Oaths in and for the)
 Province of Alberta)

DAVID HOWELLS

This is **Exhibit "A"** referred to in the
Affidavit of **DAVID HOWELLS**
sworn before me this 5th day of November, 2020.

Commissioner for Oaths in and for
the Province of Alberta

SUBCONTRACTOR SERVICES AGREEMENT

JMB CRUSHING SYSTEMS INC.

&

R BEE AGGREGATE CONSULTING LTD.

Services Agreement

31460765.6

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TABLE OF CONTENTS

1. INTERPRETATION	1
1.1 Definitions	1
1.2 Construction and Interpretation	2
1.3 Governing Law	2
2. SERVICES	3
2.1 Appointment	3
2.2 Application of the Prime Contract	3
2.3 Term	3
2.4 Standard of Care	3
2.5 Subcontractor's Representations	3
2.6 Compliance with Company Policies	4
2.7 Subcontractor's Certifications and Information	4
2.8 Compliance with Laws	4
2.9 Qualified Personnel	4
2.10 Replace Personnel	4
2.11 Independent Contractor	5
3. FEES AND PAYMENT	5
3.1 Fees	5
3.2 Payment Terms	5
3.3 Records	6
4. TERMINATION	6
4.1 Termination by Company	6
4.2 Suspension of Services	6
4.3 Termination by Subcontractor	7
4.4 Payment on Termination	7
5. INDEMNITY AND INSURANCE	7
5.1 Indemnification by Subcontractor	7
5.2 Indemnification by Company	7
5.3 Limitation of Liability	8
5.4 Insurance	8
5.5 No Consequential Damages	9
6. DISPUTE RESOLUTION	9
7. CONFIDENTIALITY	9
8. GENERAL	9
8.1 Entire Agreement	9
8.2 Amendment	10
8.3 Changes	10
8.4 Non-Exclusivity	10

Services Agreement

8.5	Independent Legal Counsel.....	10
8.6	Assignment and Enurement	10
8.7	Unenforceability.....	10
8.8	Waiver.....	10
8.9	Force Majeure.....	10
8.10	Language.....	11
8.11	Notices.....	11
8.12	Time.....	11
8.13	Counterparts.....	11

SCHEDULE A SERVICES

SCHEDULE B FEES

SCHEDULE C FORM OF STATUTORY DECLARATION

SUBCONTRACTOR SERVICES AGREEMENT

(JMB Contract No. C397-001)

THIS AGREEMENT is effective the 25th day of February, 2020.

BETWEEN:

JMB CRUSHING SYSTEMS INC., a body corporate having an office in the Town of Bonnyville in the Province of Alberta

(the "**Company**")

AND:

R BEE AGGREGATE CONSULTING LTD., a body corporate having an office in the Town of Gibbons in the Province of Alberta

(the "**Subcontractor**")

WHEREAS:

- A. the Company is a party to a terms and conditions agreement dated **November 1, 2013** with **The Municipal District of Bonnyville No. 87**, as amended from time to time thereafter, in respect of certain services (the "**Prime Contract**");
- B. the Company wishes to engage the Subcontractor as subcontractor to provide certain services, being the Services, for the Company under the Prime Contract at the direction of the Company's designate; and
- C. the Company and the Subcontractor have agreed to enter into this Agreement to provide for the terms and conditions of such engagement.

THEREFORE in consideration of the agreements and covenants set out in this Agreement, the Company and the Subcontractor agree as follows:

1. INTERPRETATION

1.1 Definitions

In this Agreement:

"**Agreement**" means this subcontractor services agreement, including all Schedules attached hereto;

"**Business Day**" means any day other than Saturday, Sunday or statutory holiday in the Province of Alberta;

"**COR**" has the meaning set out in Section 2.7(a);

"**Des 1 Class 12.5**" has the meaning set out in Schedule A;

"**Des 2 Class 16**" has the meaning set out in Schedule A;

"**Fees**" has the meaning set out in Section 3.1;

"**Holdback Amount**" has the meaning set out in Section 3.2(b);

"**Notice**" has the meaning set out in Section 8.11;

Services Agreement

"Parties" means the Company and the Subcontractor, and "Party" means any one of them;

"Prime Contract" has the meaning set out in recital A;

"Product" or "Products" means the products produced from the Subcontractor's performance of the Services, being Des 1 Class 12.5 and/or Des 2 Class 16, as context requires.

"Services" means the services to be performed by the Subcontractor pursuant to this Agreement in respect of the production of the Products, as described in Schedule A attached hereto together with all other services, functions and responsibilities described in this Agreement and all ancillary services required to provide such services;

"Statutory Declaration" means a statutory declaration materially in the form as set forth in Schedule C, confirming that in respect of the invoiced Services, the Subcontractor has carried out its obligations hereunder and with respect to any applicable third party creditors; and

"Work Package" has the meaning set out in Schedule A.

1.2 Construction and Interpretation

In this Agreement, including the recitals to this Agreement, except where expressly stated to the contrary or the context otherwise requires:

- (a) the recitals and headings to Sections and Schedules are for convenience only and will not affect the interpretation of this Agreement;
- (b) each reference in this Agreement to "Section" and "Schedule" is to a Section of, and a Schedule to, this Agreement;
- (c) each reference to a statute is deemed to be a reference to that statute and any successor statute, and to any regulations, rules, policies and criteria made under that statute and any successor statute, each as amended or re-enacted from time to time;
- (d) words importing the singular include the plural and vice versa and words importing gender include all genders;
- (e) all references to amounts of money mean lawful currency of Canada;
- (f) an accounting term has the meaning assigned to it, and all accounting matters will be determined, in accordance with Canadian generally accepted accounting principles consistently applied;
- (g) the word "written" includes printed, typewritten, faxed, e-mailed or otherwise capable of being visibly reproduced at the point of reception and "in writing" has a corresponding meaning;
- (h) the words "include" and "including" are to be construed as meaning "including, without limitation"; and
- (i) this Agreement shall be construed as though both Parties drafted it.

1.3 Governing Law

This Agreement will be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable in therein.

2. SERVICES

2.1 Appointment

The Company hereby appoints the Subcontractor, and the Subcontractor hereby accepts the appointment, to perform the Services set out in Schedule A at the direction of the Company's representative set forth in Section 8.11. For greater certainty, nothing in this Agreement will purport to: (a) grant any right, power or authority, on behalf of or in the name of the Company, to participate in the management, direction or control of the Company or to relieve the Company of its obligations; and (b) provide the Subcontractor with any rights or title to the property of the Company for which the Services are being provided.

2.2 Application of the Prime Contract

The Company confirms that all relevant information and terms and conditions applicable to the Services from the Prime Contract have been made available to the Subcontractor or incorporated into Schedule A attached hereto. The Subcontractor confirms that such information, terms and conditions from the Prime Contract shall apply to this Agreement and that the Subcontractor shall comply and discharge all such subcontracted obligations under the Prime Contract, including in accordance with Schedule A. In the event any amendments to the Prime Contract that are applicable to the Services are agreed by the Company and its counterparty under the Prime Contract, the Company shall provide a reasonably detailed Notice thereof to the Subcontractor, and such amendments to the Prime Contract shall apply hereto. In the event of any conflict between the Prime Contract and this Agreement, the terms and conditions of this Agreement shall prevail, but only as necessary to resolve such conflict.

2.3 Term

This Agreement will be effective from the effective date until the earlier of:

- (a) the date on which each of the Subcontractor and the Company have fulfilled their obligations pursuant to this Agreement and any duties so subcontracted by Company to the Subcontractor under the Prime Contract, including the completion of the Services for both Work Packages, to the satisfaction of the Company, as confirmed by the Company by Notice; and
- (b) the date this Agreement is terminated in accordance with Section 4.

2.4 Standard of Care

The Subcontractor shall, at its expense, use reasonable efforts to ensure that: (a) the Services are performed continuously and diligently and in a good and workmanlike manner with a level of effort and a degree of care, skill and diligence normally provided by a qualified and experienced industry participant performing services similar to the Services in relation to services similar to those described in the Prime Contract and this Agreement; (b) no person, property, right or privilege is injured, damaged or infringed by reason of the activities of the Subcontractor or any member of its personnel, whether it is an employee, director, officer, agent or other representative of the Subcontractor, in the performance of the Services or any part thereof; (c) the health and safety of all persons employed in the performance of the Services is not endangered; and (d) any liens registered in any way relating to the Services are promptly vacated and discharged therefrom and any litigation against the Company pertaining thereto is immediately released. The Company may direct the Subcontractor to do such things or to refrain from doing anything which the Company considers reasonable and necessary to promote the objectives of this Section 2.4 and the Subcontractor shall at its expense comply with all such directions.

2.5 Subcontractor's Representations

The Subcontractor represents and warrants to the Company that:

- (a) it has and will have over the entire term of this Agreement the necessary personnel, office, equipment, organization, professional qualifications, permits, licences and expertise in order to provide the Services according to generally prevailing industry standards;
- (b) it shall act only in the best interests of the Company in carrying out its responsibilities, duties and obligations under this Agreement;
- (c) it is a corporation duly incorporated and validly existing under the laws of its jurisdiction of incorporation and has all necessary corporate power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement. The execution and delivery of this Agreement and the performance of the Subcontractor's obligations under this Agreement have been duly authorized by all necessary corporate action on the part of the Subcontractor; and
- (d) it is not a party to, bound or affected by or subject to any indenture, mortgage, lease, agreement, collective agreement, obligation, instrument, charter or by-law provision, statute, regulation, order, judgment, decree, licence, permit or law which would be violated, contravened or breached as a result of the execution and delivery of this Agreement or the performance by the Subcontractor of any of its obligations under this Agreement.

2.6 Compliance with Company Policies

The Subcontractor acknowledges and agrees that it will comply with all relevant policies and procedures of the Company, including with respect to health and safety practices, in its performance of the Services pursuant to this Agreement, and that it has had a chance to review same to its satisfaction prior to executing this Agreement.

2.7 Subcontractor's Certifications and Information

Prior to or concurrently with the execution of this Agreement, the Parties acknowledge and agree that the Subcontractor has provided reasonably satisfactory copies of the following to the Company:

- (a) the Subcontractor's Certificate of Recognition ("COR") or Small Employer COR, issued by Alberta Labour and Alberta Association for Safety Partnerships;
- (b) the Subcontractor's account number and coverage with the Workers' Compensation Board (Alberta); and
- (c) proof of the Subcontractor's insurance coverage, which is in accordance with the requirements of Section 5.4.

2.8 Compliance with Laws

In performing the Services, the Subcontractor will comply with all applicable laws.

2.9 Qualified Personnel

The Subcontractor will provide professional personnel who have the qualifications, experience and capabilities to perform the Services.

2.10 Replace Personnel

If the Company reasonably objects to the performance, experience, qualifications or suitability of any of the Subcontractor's personnel then the Subcontractor will, on written request from the Company, replace such personnel, within 10 Business Days from the receipt of the written request from the Company.

2.11 Independent Contractor

The Parties acknowledge that in entering into this Agreement and in performing the Services, the Subcontractor has and will have the status of an independent contractor and that nothing in this Agreement will contemplate or constitute the Subcontractor as a partner or employee of the Company for any purpose, and is exclusively a contract for service.

3. FEES AND PAYMENT

3.1 Fees

The Company will pay to the Subcontractor the fees and disbursements described in Schedule B (the "Fees") plus applicable taxes.

3.2 Payment Terms

- (a) The Subcontractor will submit monthly invoices to the Company for Fees (plus all applicable taxes) related to Services provided in the previous month in respect of the Work Packages, along with a Statutory Declaration in each case. Subject to the Holdback Amount in accordance with Section 3.2(b), the Company will pay all invoices within the earlier of: (i) 45 days from the date of such invoice from the Subcontractor, and (ii) 5 Business Days of the date of receipt by the Company of the corresponding payment from the counterparty under the Prime Contract. For certainty, the Company will have no obligation to pay the Subcontractor until Subcontractor has provided a Statutory Declaration in respect of any invoices for Fees.
- (b) In the Company's payment of any Fee invoices issued by the Subcontractor hereunder for the provision of Services, the Company shall be entitled to withhold an amount equal to 10% of the invoiced Fees for both Work Packages (the "Holdback Amount"), which will be paid to the Subcontractor as follows:
 - (1) upon the completion of both Work Packages and in connection with the termination of this Agreement pursuant to Section 2.3(a), the Subcontractor will provide its final invoices for Fees of the Work Packages and a corresponding Statutory Declaration in accordance with Section 3.2(a);
 - (2) at any time, the Company shall be entitled to a reasonable period of time to conduct verification activities in respect of the Work Packages, including drone surveys and reviewing county scale tickets, with the Company acting in good faith to complete such verification to its reasonable satisfaction; provided that if the Company cannot verify the completion of the Work Packages to its reasonable satisfaction, the Subcontractor will cooperate, acting reasonably, to assist the Company in its verification; and
 - (3) upon the completion of Sections 3.2(b)(1) and 3.2(b)(2) to the Company's reasonable satisfaction, the Company shall pay the entire Holdback Amount to the Subcontractor in accordance with Section 4.4.
- (c) If the Company disputes any portion of an invoice for Fees or cannot reasonably verify pursuant to Section 3.2(b)(2), then the Company shall notify the Subcontractor with details of the disputed amount and the Company may withhold the disputed amount, including, where applicable, portions of the Holdback Amount. For certainty, the Company is not

required to pay Fees for Services that are not performed to the Product specifications and other requirements of this Agreement. Disputed amounts hereunder may be subject to adjustments, as agreed to in writing by the Parties from time to time. If the Company and Subcontractor cannot resolve such disputed amounts; then the issue shall be referred to dispute resolution in accordance with Section 6.

- (d) The Subcontractor acknowledges that all costs and expenses directly and indirectly related to the performance of the Services are included within the applicable amounts paid by the Company through the Fees, which shall be the only amounts payable by the Company for the Services. From the Fees paid to the Subcontractor by the Company, the Subcontractor is deemed to hold the required amounts in trust that are required to pay for any salaries, wages, compensation, overtime pay, statutory holiday pay, vacation pay, entitlements, statutory withholdings and other required contributions and applicable taxes, and that the Subcontractor shall pay such foregoing amounts from such trust funds.
- (e) The Company may set-off and deduct any amounts payable to the Subcontractor against any financial obligation that the Subcontractor owes to the Company.

3.3 Records

- (a) If the Company reasonable requests, then the Subcontractor shall provide the Company daily, weekly, or monthly reports of labour hours by task, equipment hours and materials chargeable to the Company in accordance with Schedule B in connection with the Services. The Company shall approve or dispute in part or in whole such reports within 48 hours of receipt of the report otherwise it shall be deemed to be accepted.
- (b) The Subcontractor will prepare and maintain proper records related to the Services, including records, receipts and invoices relating to disbursements. On request from the Company, the Subcontractor will make the records available open to audit examination by the Company at any time during regular business hours during the time the Subcontractor is providing the Services and for a period of 2 years after the expiry of this Agreement.

4. TERMINATION

4.1 Termination by Company

The Company may terminate this Agreement if the Subcontractor is adjudged bankrupt, or makes a general assignment for the benefit of creditors because of its insolvency, or if a receiver is appointed because of its insolvency, the Company may, without prejudice to any other right or remedy the Company may have, terminate this Agreement by giving the Subcontractor or receiver or trustee in bankruptcy Notice; or if the Subcontractor materially breaches its obligations under this Agreement and any such breach is not remedied to the reasonable satisfaction of the Company within 10 Business Days after delivery of Notice from the Company to the Subcontractor (or such longer period as may be agreed to by the Company), then the Company may, without prejudice to any other right or remedy the Company may have, terminate this Agreement by giving the Subcontractor further Notice.

4.2 Suspension of Services

At any time and without cause, the Company may suspend the Services or any portion thereof for a period of not more than ninety (90) days by Notice to the Subcontractor which will fix the date on which the Services will be resumed. The Subcontractor shall resume the Services on the date so fixed.

4.3 Termination by Subcontractor

The Subcontractor may terminate this Agreement if the Company is adjudged bankrupt, or makes a general assignment for the benefit of creditors because of its insolvency, or if a receiver is appointed because of its insolvency, the Subcontractor may, without prejudice to any other right or remedy the Subcontractor may have, terminate this Agreement by giving the Company or receiver or trustee in bankruptcy Notice; or if the Company materially breaches its obligations under this Agreement and any such breach is not remedied to the reasonable satisfaction of the Subcontractor within 10 Business Days after delivery of Notice from the Subcontractor to the Company (or such longer period as may be agreed to by the Subcontractor), then the Subcontractor may, without prejudice to any other right or remedy the Subcontractor may have, terminate this Agreement by giving the Company further Notice.

4.4 Payment on Termination

Within sixty (60) days or in accordance with the invoicing process set forth in Section 3.2, termination of this Agreement in accordance with Sections 2.3(a), 4.1 or 4.3, the Company will pay the Subcontractor's outstanding and unpaid Fees for services rendered by the Subcontractor up to the effective date of termination, including the Holdback Amount; provided that if this Agreement is terminated by the Company pursuant Section 4.1, the Company shall be entitled to deduct reasonable costs incurred by the Company as a result of such termination from the amounts paid to the Subcontractor in connection with this Section 4.4.

5. INDEMNITY AND INSURANCE

5.1 Indemnification by Subcontractor

The Subcontractor will be liable to, and will as a separate and independent covenant, indemnify and save harmless the Company, its respective subsidiary and affiliated companies, and all of its directors, officers, employees, agents, representatives and indemnities, from and against all claims, demands, causes of action, suits, losses, damages and costs, liabilities, expenses and judgments (including all actual legal costs) which any of the Company's indemnified parties incur, suffer or are put to arising out of or in connection with:

- (a) any failure, breach, misrepresentation, breach of representation or warranty or non-fulfillment of any covenant or obligation on the part of the Subcontractor under this Agreement or any wrongful or negligent act, error or omission of the Subcontractor or any official, director, employee, agent, sub-consultant or representative of the Subcontractor; and
- (b) any and all claims, actions, suits, proceedings, demands, assessments, judgments, costs and legal and other expenses arising from third parties or incident to any of the matters in Section 5.1(a),

except to the extent caused or contributed by breach of any provision of this Agreement by the Company, its directors, officers, employees, agents or representatives or any negligent act, omission or willful misconduct of or by any of them.

5.2 Indemnification by Company

The Company will indemnify and save harmless the Subcontractor and all of its directors, officers, employees, agents, representatives and indemnities, from and against all claims, demands, causes of action, suits, losses, damages and costs, liabilities, expenses and judgments (including all actual legal costs) which the Subcontractor's indemnified parties incur, suffer or are put to arising out of or in connection with:

- (a) any wrongful or negligent act of the Company or any official, employee, agent of the Company (other than the Subcontractor); and
- (b) any and all claims, actions, suits, proceedings, demands, assessments, judgments, costs and legal and other expenses arising from or incident to any of the matters in Section 5.2(a),

except to the extent caused or contributed by breach of any provision of this Agreement by or any negligent act, omission or willful misconduct of or by the Subcontractor, its directors, officers, employees, agents or representatives, indemnities or any of them.

5.3 Limitation of Liability

- (a) The Subcontractor's maximum liability to the Company in connection with any claim made by the Company in respect of the Services or this Agreement will not exceed the total amount of Fees anticipated to be paid under this Agreement in connection with the Prime Contract.
- (b) The Company's maximum liability to the Subcontractor in connection with any claim made by the Subcontractor in respect of this Agreement will not exceed the total amount of Fees anticipated to be paid under this Agreement in connection with the Prime Contract.
- (c) Neither Party shall be obligated to indemnify the other Party or its respective representatives to the extent that any losses suffered by such indemnified Party are paid in settlement from any applicable insurance policy.

5.4 Insurance

The Subcontractor will at its own cost and expense at all times during the term of this Agreement and for twelve (12) months following the completion of this Agreement, maintain the following policies of insurance:

- (a) comprehensive general liability insurance with a minimum of \$5,000,000 each occurrence, covering personal injury (including death) and property loss or damage, which at a minimum cover liabilities associated with or arising from the Subcontractor's premises, property or operations, and broad form contractual liability;
- (b) any applicable statutory workers' compensation insurance (as required in the jurisdiction where the Services are being performed or the employee is being employed) covering the Subcontractor's employees;
- (c) Automobile liability insurance covering all licensed automotive equipment used in connection with the Services with a minimum amount per occurrence of not less than \$5,000,000 covering the Subcontractor's automobiles; or as required by law, whichever is greater. Such insurance shall name the Company as Additional Insured; and
- (d) "All Risk" insurance in respect of the Subcontractor's office, plant and construction equipment, including tools and mobile equipment owned, rented or leased by the Subcontractor and automobiles not forming part of the permanent project works. Such insurance shall contain an issuer's waiver of all rights of subrogation against the Company or Company's assigns. Any deductible that is taken by the Subcontractor shall be for the account of the Subcontractor and shall have no right to claim back or subrogate against the Company .

5.5 No Consequential Damages

The liability of each Party with respect to a claim against the other under this Agreement is limited to direct damages only and neither Party will have any liability whatsoever for consequential or indirect loss or damage (such as, but not limited to, claims for loss of profit, revenue, production, business, contracts or opportunity and increased cost of capital, financing or overhead) incurred by the other Party except for third party damages of such other Party caused by the gross negligence or wilful misconduct of a Party.

6. DISPUTE RESOLUTION

Any disputes arising from this Agreement shall be settled through good faith negotiations between both Parties. In the case that no settlement can be reached through such negotiations, either Party may commence an action in respect of the dispute directly to the Courts of the Province of Alberta.

7. CONFIDENTIALITY

Confidential Information means all non-public information, whether disclosed before or after the effective date of this Agreement, that is conveyed from the one Party to the other, orally or in electronic or tangible form, or otherwise obtained by the receiving Party through observation or examination of the disclosing Party's operations or Confidential Information, and (i) is marked as "confidential," (ii) is orally designated by as "confidential" and confirmed in writing within thirty (30) days of disclosure, or (iii) due to the circumstances surrounding its disclosure would be reasonably construed as "confidential." Confidential Information does not include any information which (a) was rightfully in the possession of the Subcontractor prior to receiving it from the Company, (b) is independently developed by the Subcontractor without use of or reliance upon the Confidential Information from the Company, (c) was in the public domain at or subsequent to the time of disclosure (through no breach of the Subcontractor) or (d) is obtained in good faith from a third Party not under any obligation of confidentiality.

The Subcontractor acknowledges it has acquired and will acquire Confidential Information of the Company in connection with the performance of the Services. The Subcontractor shall:

- (a) during the term of this Agreement and indefinitely thereafter, treat Confidential Information as strictly confidential and shall not disclose or permit the disclosure of Confidential Information except to those officers and employees of the Subcontractor with a need to know, and upon whom confidentiality obligations have been imposed, or except as required by law;
- (b) during the term of this Agreement and for two years thereafter, not make use of Confidential Information other than as required for the sole and exclusive purpose of performing the Services; and
- (c) promptly return to the Company, upon written request, or provide confirmation of destruction of, all Confidential Information.

8. GENERAL

8.1 Entire Agreement

This Agreement contains the entire agreement of the Parties regarding the performance of the Services and no understandings or agreements, oral or otherwise, exist between the Parties except as expressly set out in this Agreement.

8.2 Amendment

This Agreement may be amended only by agreement in writing, signed by both Parties.

8.3 Changes

Changes to Schedule A – Services and Schedule B – Fees may occur from time to time. Such changes must be amended in writing and signed by both Parties.

8.4 Non-Exclusivity

The Parties acknowledge that this Agreement is non-exclusive and that either Party will be free, during and after the term of this Agreement, to engage or contract with third parties for the provision of services similar to the Services.

8.5 Independent Legal Counsel

The Parties acknowledge that they have each had the opportunity to obtain independent legal counsel with respect to the terms of this Agreement and that each Party has understood and accepted that advice and obtained such counsel or waived obtaining such counsel.

8.6 Assignment and Enurement

This Agreement shall not be assigned by either Party, without the prior consent of the other Party which shall not be unreasonably withheld. This Agreement shall be binding upon the Parties respective administrators, trustees, receivers, successors and permitted assigns.

8.7 Unenforceability

If any provision of this Agreement is invalid or unenforceable, it will be severed from the Agreement and will not affect the enforceability or validity of the remaining provisions of the Agreement.

8.8 Waiver

No waiver by either Party of any breach by the other Party of any of its covenants, obligations and agreements will be a waiver of any subsequent breach or of any other covenant, obligation or agreement, nor will any forbearance to seek a remedy for any breach be a waiver of any rights and remedies with respect to such or any subsequent breach.

8.9 Force Majeure

- (a) In this Section 8.9, "Event of Force Majeure" means acts of God or public enemy, wars (declared or undeclared), revolution, riots, insurrections, civil commotions, fires, floods, slides, earthquakes, epidemics, quarantine restrictions, strikes or lockouts, including illegal work stoppages or slowdowns, or stop work orders issued by a court or statutory authorities (providing that such orders are not issued nor any such labour disputes occasioned as a result of an act or omission of either Party, or any one employed or retained by either Party), freight embargoes or power failures, or any event or circumstance which reasonably constitutes a material disabling event or circumstance, which is beyond the reasonable control of a Party, which does not arise from the neglect or default of a Party, and which results in material delay, interruption or failure by a Party in carrying out its duties, covenants or obligation under this Agreement, but which does not mean or include any delay caused by a Party's lack of funds or financial condition.
- (b) If any Party is *bona fide* delayed or hindered in or prevented from the performance of any obligation, covenant or other act required under this Agreement, by reason of an Event of Force Majeure, the said Party will be relieved from the fulfillment of such obligation,

covenant or act during the period of such interruption and the period for the performance of any such obligation, covenant or other act will be extended for a period equivalent to the period of such delay.

8.10 Language

All communication and documentation will be in English unless agreed otherwise.

8.11 Notices

Any notice, approval, election, demand, direction, consent, designation, request, agreement, instrument, certificate, report or other communication required or permitted to be given or made under this Agreement (each, a "Notice") to a Party must be given in writing. A Notice may be given electronically by electronic mail, and will be validly given if transmitted on a Business Day by email addressed to the following Party:

To the Company:

JMB Crushing Systems Inc.

Attention: Jason Panter

Email: jasonpanter@jmbcrush.com

With a copy to: admin@jmbcrush.com

To the Subcontractor:

R Bee Aggregate Consulting Ltd.

Attention: David Howells

Email: david@rbcrushing.ca

or to any other e-mail address or individual that the Party designates in writing in accordance with this Section.

8.12 Time

Time is of the essence of this Agreement.

8.13 Counterparts

This Agreement may be executed in counterparts. Electronic signatures are binding and are considered to be original signatures.

(Signature page follows)

MT

IN WITNESS WHEREOF the Parties have duly executed this Agreement effective as of the day and year first above written.


March 4/20


COMPANY:

SUBCONTRACTOR

JMB CRUSHING SYSTEMS INC.

R BEE AGGREGATE CONSULTING LTD.

By 
Authorized Representative

By  (PRES)
Authorized Representative

By _____
Authorized Representative

Jeff Buck
President

By BERNIE REED,
Authorized Representative

SCHEDULE A

SERVICES

The Subcontractor shall provide the following services for and on behalf of the Company under the Prime Contract, which shall comprise the Services:

Products and Specifications

- The Subcontractor will perform crushing services of rock and gravel for the Company, with such rock and gravel sourced from the Company's properties and using only the Subcontractors equipment and tools, to produce the following aggregate Products in usable form, all as required by the Prime Contract:

- (1) Modified Designation 1 Class 12.5 mm in accordance with the following specifications in the table below from Alberta Transportation ("Des 1 Class 12.5"):

DESIGNATION		1
CLASS (MM)		12.5
PERCENT PASSING METRIC SIEVE (CGSB 8-GP-2M)	12.500	100
	10.000	83-92
	5.000	55-70
	1.250	26-45
	0.630	18-38
	0.315	12-30
	0.160	8-20
	0.080	4-20
% FRACTURE BY ALL WEIGHT (2 FACES) (All +5000)		60+
PLASTICITY INDEX (PI)		NP
L.A. ABRASION LOSS PERCENT MAXIMUM		40

- (2) Modified Designation 2 Class 16 mm in accordance with the following specifications in the table below from Alberta Transportation ("Des 2 Class 16"):

DESIGNATION		2
CLASS (MM)		16
PERCENT PASSING METRIC SIEVE (CGSB 8-GP-2M)	16.000	100
	12.500	89-100
	10.000	78-94
	5.000	55-70
	1.250	26-45
	0.630	18-38
	0.315	12-30
	0.160	8-20
0.080	4-10	
% FRACTURE BY ALL WEIGHT (2 FACES) (All +5000)		60+
PLASTICITY INDEX (PI)		NP
L.A. ABRASION LOSS PERCENT MAXIMUM		50

- For certainty, the product specifications set out above, or otherwise agreed by the Parties in writing, shall be described generally as crushed gravel being Des 1 Class 12.5 and Des 2 Class 16.
- Upon completion of the crushing Services to the specifications as set forth above, the Subcontractor shall stockpile each of the Products separately on the Company's property, as directed by the Company from time to time and in accordance with good industry practices.

Services Agreement

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Product Sourcing

- The Des 1 Class 12.5 Product will be sourced from the pit owned by the Company known as Shankowski and located at SW 21-56-7-4.
- The Des 2 Class 16 Product will be sourced from the pit owned by the Company known as Shankowski and located at SW 21-56-7-4.
- The Company will complete any required stripping work prior to the Subcontractor providing the Services.
- The Company will ensure reasonable access to the properties of the Company in relation to the provision of Services hereunder.

Product Quantity

- In completing the Services, the Subcontractor will crush and do any ancillary pit work (including gravel marshalling) to provide the following quantities of Products to the required specifications:

(1) 50,000 tonnes of Des 1 Class 12.5; and

(2) 150,000 tonnes of Des 2 Class 16

For certainty, the completion of the Services by the Subcontractor for each Product in the quantities set forth in (1) and (2) above shall be each a "Work Package".

Timing of Services

- Prior to May 15, 2020, unless otherwise directed by the Company in writing from time to time, the Subcontractor shall complete both Work Packages to the Company's reasonable satisfaction, as required by this Agreement.

Quality Control

- The Subcontractor will ensure that the quality of the Products meet the specifications herein.
- The Subcontractor will ensure that the variances from the specifications for Products do not deviate more than two percent (2%) from the required specifications. If the variance from the Product specifications continues to deviate from the required specifications for more than two (2) samplings by the Company without satisfactory correction by the Subcontractor, until the required specifications are met to the satisfaction of the Company, the Company reserves the right to reject Products that do not meet the required specifications. Should such deviation occur the Company will notify the Subcontractor by Notice prior to any further action.
- The Subcontractor will cooperate reasonably with the Company to allow the Company to perform its required quality control activities pursuant to the Prime Contract.

SCHEDULE B

FEEES

The Subcontractor shall be reimbursed on a cost basis for its Services at the following rates for each of the Products (always in accordance with the requirements of Schedule A):

- (1) Des 1 Class 12.5: \$11.00 per tonne
- (2) Des 2 Class 16: \$6.00 per tonne

For certainty, the Subcontractor shall not be entitled to any reimbursement or other disbursement aside from as set out above, unless the Company expressly agrees in writing prior to the date that such expenses are incurred by the Subcontractor.

SCHEDULE C

FORM OF STATUTORY DECLARATION

In respect of the Subcontractor Services Agreement (the "Agreement") dated _____, 2020 between JMB Crushing Services Inc. (the "Company") and R Bee Aggregate Consulting Ltd. (the "Subcontractor")

TO WIT:

I, _____, in the _____, in the Province of Alberta, do solemnly declare that:

- 1. I am an officer of the Subcontractor holding the office of _____ and as such have personal knowledge of this Agreement and of the facts and matters stated herein;
- 2. the Subcontractor has discharged its obligations to date under the Agreement, subject to any listed exceptions below;
- 3. the Subcontractor has made full payment to all creditors for all labour, equipment, materials and services used in the performance of the Agreement to date, including to the Workers' Compensation Board and any applicable governmental authorities as required by law, subject to any listed exceptions below; and
- 4. there are no outstanding amounts or holdbacks retained from any such creditor, subject to any listed exceptions below,

Exceptions: [No Exceptions]

I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath.

DATED _____

Signature of Declarant

DECLARED before me, _____, in the _____, in the Province of Alberta

DATED _____

A Commissioner for Oaths in and for the Province of Alberta

MT

This is **Exhibit "B"** referred to in the
Affidavit of **DAVID HOWELLS**
sworn before me this 5th day of November, 2020.

Commissioner for Oaths in and for
the Province of Alberta

MT

RBEE Aggregate Consulting Ltd.Box 1110
Gibbons, AB T0A 1N0**INVOICE**Invoice No.: 259
Date: Feb 01, 2020
Ship Date:
Page: 1
Re: Order No. RBJ 951 - Elk Point**Sold to:**JMB Crushing Systems Ltd.
PO Box 6977
Bonnyville, AB T9N 2H4**Ship to:**JMB Crushing Systems Ltd.
PO Box 6977
Bonnyville, AB T9N 2H4**Business No.:** 788842680RT0001

Item No.	Unit	Quantity	Description	Tax	Unit Price	Amount
	Cubic Meter	39,366	RBJ 951 - Elk Point February 2020 2-16	G	6.00	236,196.00
			Subtotal:			236,196.00
			G - GST 5% GST/HST			11,809.80
Shipped By: _____ Tracking Number: _____					Total Amount	248,005.80
Comment: _____					Amount Paid	248,005.80
Sold By: _____					Amount Owing	0.00

MT

RBEE Aggregate Consulting Ltd.Box 1110
Gibbons, AB T0A 1N0**INVOICE**Invoice No.: 266
Date: Mar 31, 2020
Ship Date:
Page: 1
Re: Order No. RBJ951 - Elk Point**Sold to:**JMB Crushing Systems Ltd.
PO Box 6977
Bonnyville, AB T9N 2H4**Ship to:**JMB Crushing Systems Ltd.
PO Box 6977
Bonnyville, AB T9N 2H4

Business No.: 788842680RT0001

Item No.	Unit	Quantity	Description	Tax	Base Price	Disc %	Unit Price	Amount
	Cubic Meter	110,634	RBJ951 - Elk Point 2-16	G	6.00		6.00	663,804.00
			Subtotal:					663,804.00
			G - GST 5% GST/HST					33,190.20
Shipped By: Tracking Number:							Total Amount	696,994.20
Comment:							Amount Paid	0.00
Sold By:							Amount Owing	696,994.20

MT

RBEE Aggregate Consulting Ltd.
 Box 1110
 Gibbons, AB T0A 1N0

INVOICE

Invoice No.: 270
 Date: Apr 16, 2020
 Ship Date:
 Page: 1
 Re: Order No. RBJ951

Sold to:

JMB Crushing Systems Ltd.
 PO Box 6977
 Bonnyville, AB T9N 2H4

Ship to:

JMB Crushing Systems Ltd.
 PO Box 6977
 Bonnyville, AB T9N 2H4

Business No.: 788842680RT0001

Item No.	Unit	Quantity	Description	Tax	Base Price	Disc %	Unit Price	Amount
			RBJ 951 - Elk Point					
	Lumpsum Tonne	1 42,448	Stripping 12.5 MM	G G	7,500.00 11.00		7,500.00 11.00	7,500.00 466,928.00
			Subtotal:					474,428.00
			G - GST 5% GST/HST					23,721.40
Shipped By: Tracking Number:							Total Amount	498,149.40
Comment:							Amount Paid	0.00
Sold By:							Amount Owing	498,149.40

MT

RBEE Aggregate Consulting Ltd.

Box 1110
Gibbons, AB T0A 1N0

INVOICE

Invoice No.: 278
Date: May 10, 2020
Ship Date:
Page: 1
Re: Order No. PO #950158

Sold to:

JMB Crushing Systems Ltd.
PO Box 6977
Bonnyville, AB T9N 2H4

Ship to:

JMB Crushing Systems Ltd.
PO Box 6977
Bonnyville, AB T9N 2H4

Business No.: 788842680RT0001

Item No.	Unit	Quantity	Description	Tax	Base Price	Disc %	Unit Price	Amount
	Cubic Meters	6,549.62	RBJ 951 - Elk Point 2-16	G	11.00		11.00	72,045.82
			Subtotal:					72,045.82
			G - GST 5% GST/HST					3,602.29
Shipped By: Tracking Number:							Total Amount	75,648.11
Comment:							Amount Paid	0.00
Sold By:							Amount Owing	75,648.11

MT

This is Exhibit "C" referred to in the
Affidavit of DAVID HOWELLS
sworn before me this 5th day of November, 2020.

Commissioner for Oaths in and for
the Province of Alberta

MT

This is Exhibit "D" referred to in the
Affidavit of DAVID HOWELLS
sworn before me this 5th day of November, 2020.

Commissioner for Oaths in and for
the Province of Alberta

MT

JMB Crushing Systems Inc.

P.O. Box 6977

Bonnyville AB T9N 2H4

Work: 780-826-1774 Fax: 780-826-6280

Invoice

10790

February 29, 2020

Page: 1

MD of Bonnyville No.87

4905 - 50 Ave

Bag Service 1010

Bonnyville AB T9N 2J7

Qty	Description	Unit Price	Amount
39,366.00	Supply, Crush & Test to Stockpile Designation 2 Class 16 Material from the JMB Shankowski Pit SW-21-56-7 W4M Total Unit Cost \$31.00 per tonne; this billing represents 50% of total cost	\$15.50	610,173.00
		Subtotal	610,173.00
		Goods and Services Tax	30,508.65
		Invoice Total (CAD)	640,681.65

Terms: Due upon receipt

GST # 10266 5056 RT0001 (5%)

Customer Copy

MT

JMB Crushing Systems Inc.

P.O. Box 6977

Bonnyville AB T9N 2H4

Work: 780-826-1774 Fax: 780-826-6280

Invoice

10834

MD of Bonnyville No.87

4905 - 50 Ave

Bag Service 1010

Bonnyville AB T9N 2J7

March 15, 2020

Page: 1

Qty	Description	Unit Price	Amount
48,980.00	Supply, Crush & Test to Stockpile Designation 2 Class 16 Material from the JMB Shankowski Pit (SW 21-56-7 W4M) Total unit cost \$31.00 per tonne; this billing represents 50% of total cost	\$15.50	759,190.00
		Subtotal	759,190.00
		Goods and Services Tax	37,959.50
		Invoice Total (CAD)	797,149.50

88,346 tonnes to date less 39,366 tonnes Invoice 10790 = 48,980 tonnes this billing

Terms: Due upon receipt

GST # 10266 5056 RT0001 (5%)

MT

JMB Crushing Systems Inc.

P.O. Box 6977

Bonnyville AB T9N 2H4

Work: 780-826-1774 Fax: 780-826-6280

Invoice

10844

MD of Bonnyville No.87
4905 - 50 Ave
Bag Service 1010
Bonnyville AB T9N 2J7

March 31, 2020

Page: 1

Qty	Description	Unit Price	Amount
61,654.00	Supply, Crush & Test to stockpile Designation 2 Class 16 Material from the JMB Shankowski Pit SW 21-56-7-W4M Total unit cost \$31.00 per tonne; this billing represents 50% of total cost	\$15.50	955,637.00
		Subtotal	955,637.00
		Goods and Services Tax	47,781.85
		Invoice Total (CAD)	1,003,418.85

150,000 tonnes to date less 39,366 tonnes (invoice 10790) & 48,980 tonnes (invoice 10834) = 61,654 tonnes this billing

Terms: Due upon receipt

GST # 10266 5056 RT0001 (5%)

MT

JMB Crushing Systems Inc.

P.O. Box 6977

Bonnyville AB T9N 2H4

Work: 780-826-1774 Fax: 780-826-6280

Invoice

10845

MD of Bonnyville No.87
4905 - 50 Ave
Bag Service 1010
Bonnyville AB T9N 2J7

March 31, 2020

Page: 1

<u>Qty</u>	<u>Description</u>	<u>Unit Price</u>	<u>Amount</u>
4,519.00	Supply, Crush & Test to stockpile Designation 1 Class 12.5 material at JMB Shankowski Pit (SW 21-56-7 W4M) Total unit cost \$33.28 per tonne; this billing represents 50% of total cost	\$16.64	75,196.16
		Subtotal	75,196.16
		Goods and Services Tax	3,759.81
		Invoice Total (CAD)	78,955.97

Terms: Due upon receipt

GST # 10266 5056 RT0001 (5%)

MT

JMB Crushing Systems Inc.

P.O. Box 6977

Bonnyville AB T9N 2H4

Work: 780-826-1774 Fax: 780-826-6280

Invoice

10851

MD of Bonnyville No.87

4905 - 50 Ave

Bag Service 1010

Bonnyville AB T9N 2J7

April 15, 2020

Page: 1

Qty	Description	Unit Price	Amount
42,448.00	Supply, Crush & Test to stockpile Designation 1 Class 12.5 material at JMB Shankowski Pit (SW 21-56-7 W4M) Total unit cost \$33.28 per tonne; this billing represents 50% of total cost	\$16.64	706,334.72
		Subtotal	706,334.72
		Goods and Services Tax	35,316.74
		Invoice Total (CAD)	741,651.46

46,967 Tonnes crushed to date; less 4,519 tonnes (Invoice 10845) = 42,448 tonnes this billing

Terms: Due upon receipt

GST # 10266 5056 RT0001 (5%)

MT

JMB Crushing Systems Inc.

P.O. Box 6977

Bonnyville AB T9N 2H4

Work: 780-826-1774 Fax: 780-826-6280

Invoice

10861

MD of Bonnyville No.87

4905 - 50 Ave

Bag Service 1010

Bonnyville AB T9N 2J7

April 29, 2020

Page: 1

Qty	Description	Unit Price	Amount
2,030.62	Supply, Crush & Test to stockpile Designation 1 Class 12.5 material at JMB Shankowski Pit (SW 21-56-7 W4M) Total unit cost \$33.28 per tonne; this billing represents 50% of total cost	\$16.64	33,789.52
		Subtotal	33,789.52
		Goods and Services Tax	1,689.48
		Invoice Total (CAD)	35,479.00

48,997.62 tonnes crushed to date; less 4,519 tonnes (Invoice 10845) & 42,448 tonnes (Invoice 10851) = 2,030.62 tonnes this billing

Terms: Due upon receipt

GST # 10266 5056 RT0001 (5%)

NET