

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
TEXARKANA DIVISION

In re:

§	Case No. 25-41368
§	§
LOCAL FIRST MEDIA GROUP INC., <i>et</i>	§
<i>al.</i> <sup>1</sup>	§
	§
Debtors in a foreign proceeding.	§
	§
	Jointly Administered

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**DECLARATION OF DERYCK HELKAA IN SUPPORT OF  
FOREIGN REPRESENTATIVE'S MOTION PURSUANT TO SECTIONS 105(a),  
363, 365, 1501, 1507, 1520, AND 1521 OF THE BANKRUPTCY CODE AND  
BANKRUPTCY RULES 2002, 6004, 6006, AND 9014, FOR ENTRY OF AN ORDER  
(I) RECOGNIZING AND ENFORCING THE APPROVAL AND VESTING ORDER, (II)  
APPROVING THE SALE OF CERTAIN OF THE DEBTORS' ALASKA ASSETS FREE  
AND CLEAR OF LIENS, CLAIMS, AND ENCUMBRANCES, (III) ASSUMING AND  
ASSIGNING CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES AND  
(IV) GRANTING RELATED RELIEF**

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I, DERYCK HELKAA, to the best of my information and belief, state as follows:

1. I am over the age of 18 and I am authorized to submit this declaration (the “Declaration”), on behalf of the Receiver (as defined below), in support of the Receiver’s *Motion Pursuant to Sections 105(a), 363, 365, 1501, 1507, 1520, and 1521 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006, and 9014, for Entry of an Order (I) Recognizing and Enforcing the Approval and Vesting Order, (II) Approving the Sale of Certain of the Debtors’ Alaska Assets Free and Clear of Liens, Claims, and Encumbrances, (III) Assuming and Assigning Certain Executory Contracts and Unexpired Leases, and (IV) Granting Related Relief* (the “Motion”).<sup>2</sup>

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<sup>1</sup> The Debtors in these chapter 15 cases (the “Chapter 15 Cases”), along with the last four digits of each Debtor’s unique identifier under Question 2 of each Form 401, are Local First Media Group Inc. (1809); Local First Properties Inc. (9206); BTC USA Holdings Management Inc (1330); Local First Properties USA Inc. (8415); Alaska Broadcast Communications, Inc. (377D); Broadcast 2 Podcast, Inc. (8516); and Frontier Media LLC (4593).

<sup>2</sup> Capitalized terms used but not defined herein shall have the meaning given to them in the Motion.

2. I am a Senior Managing Director, Corporate Finance & Restructuring, at FTI Consulting Canada Inc. ("FTI"). I hold a B.A. in economics from the University of Western Ontario. I am a Licensed Trustee in Bankruptcy, a Chartered Insolvency and Restructuring Professional and a Chartered Professional Accountant. I am a member of the Canadian Association of Insolvency and Restructuring Professionals, Insolvency Institute of Canada and Turnaround Management Association. I have more than 20 years of experience providing transaction and restructuring advisory services to companies and their stakeholders, including representing creditors, lenders, shareholders, management and boards of directors in both formal and out-of-court restructurings and cross-border cases. I have industry experience in oil and gas, including companies operating in exploration and production, midstream and oilfield services sectors. My office is at 520 5th Ave SW Suite 1610 Calgary, AB, T2P 3R7 Canada.

3. FTI acts herein solely in its capacities as court-appointed receiver and as authorized foreign representative (in such capacities, the "Receiver" or "Foreign Representative") of the above-captioned debtors (collectively, the "Debtors"), based upon the Receivership Order dated February 21, 2025 (the "Receivership Order")<sup>3</sup> entered by the Court of King's Bench of Alberta in the Calgary Courts Centre, Calgary, Alberta, Canada, Court File No. 501-01744 (the "Canadian Court" and the "Canadian Proceeding").

4. As Receiver, I have investigated the business and affairs of the Debtors to the best of my ability since my engagement on this case, and make this declaration based on that

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<sup>3</sup> The Debtors in these chapter 15 cases (the "Chapter 15 Cases"), along with the last four digits of each Debtor's unique identifier under Question 2 of each Form 401, are Local First Media Group Inc. (1809); Local First Properties Inc. (9206); BTC USA Holdings Management Inc (1330); Local First Properties USA Inc. (8415); Alaska Broadcast Communications, Inc. (377D); Broadcast 2 Podcast, Inc. (8516); and Frontier Media LLC (4593).

investigation.<sup>4</sup> All facts set forth in this Supplemental Declaration are based upon my personal knowledge, my review of relevant documents, information provided to me by employees working under my direction or supervision, my discussions with other members of FTI or the Debtors (as defined herein) and/or my opinions based upon my experience concerning the Debtors' operations and financial condition and my experience as a Licensed Trustee in Bankruptcy, a Chartered Insolvency and Restructuring Professional and a Chartered Professional Accountant. If called to testify, I could and would testify competently as stated herein.

5. Since its appointment by the Canadian Court, the Receiver has been actively involved with administering all of the Debtors' assets including physical assets, intellectual property, intangibles, and rights with respect to executory contracts and unexpired leases. Accordingly, the Receiver has gained familiarity with the Debtors' assets, including those subject to the Stalking Horse APA (as defined below).

6. On October 16, 2025, the Receiver filed the *First Report of the Receiver* (the “First Report”)<sup>5</sup> and the *Application re Sales Process* (the “Application”)<sup>6</sup> with the Canadian Court, seeking entry of, *inter alia*, an order approving the sale solicitation procedures and the Asset Purchase Agreement between Alaska First Media Inc. (the “Stalking Horse Bidder”) and the Receiver, dated October 16, 2025 (the “Stalking Horse APA”).<sup>7</sup> The sale solicitation procedures were intended to solicit interest in, and opportunities for, a sale of all, or substantially all, of the

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<sup>4</sup> Statements made herein are made upon information and belief and based on information currently available to the Receiver, may be subject to change, and are without prejudice to the rights and remedies that may be available to the Receiver under applicable law.

<sup>5</sup> A true and correct copy of the First Report is attached hereto as Exhibit A.

<sup>6</sup> A true and correct copy of the Application is attached hereto as Exhibit B.

<sup>7</sup> A true and correct copy of the Stalking Horse APA is annexed to the First Report as Appendix B.

property<sup>8</sup> and business of the Debtors (each, a “Sale”). No objections to the entry of an order granting the requested relief was lodged at or before the October 23, 2025 hearing, and the Canadian Court entered the *Order re Sale Process Approval* (the “Sale Process Order”), which included the approval of the Stalking Horse APA, pursuant to which the Stalking Horse Bidder would purchase certain all of the Debtors’ Alaska assets.<sup>9</sup>

7. Following entry of Sale Process Order, the Receiver continued the operations of the Debtors and continued its comprehensive marketing and sale process in Canada under the supervision of the Canadian Court (the “Sale Process”). In accordance with the Sales Process Order, the Sale Process was implemented by the Receiver over an approximately six week period between October 23, 2025 and December 9, 2025. The Receiver, among other things:

- a) launched the Sale Process with an e-mail blast to in excess of 100 potential purchasers, including strategic investors, financial investors, local and national radio station operators and any additional potential interested parties that came forward during the Sale Process. The Receiver conducted extensive research to find the most logical buyers of small market radio stations located in Texarkana, TX and Alaska;
- b) A teaser, non-disclosure agreement (“NDA”) and the Sale Process Procedures were posted to the Receiver’s website and were advertised in the following media outlets: (i) Insolvency Insider Canada (an independent publication dedicated to the Canadian insolvency market which provides industry news, data and insights), (ii) *Juneau Empire*, and (iii) *Texarkana Gazette*;
- c) Over the duration of the Sale Process, the Receiver followed up with all potential parties on numerous occasions to ensure the opportunity was marketed appropriately;
- d) Of the parties contacted, 6 signed NDA’s with the Receiver and were given access to a virtual data room (“VDR”), which contained a confidential information memorandum, historical and forecast financial information, details on all radio stations including population coverage, employee and contractor

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<sup>8</sup> The Debtors’ assets primarily includes the operation of 17 regional radio stations (10 in Alaska and 7 in Texas), certain related real estate used specifically in the operations of the radio stations (comprising radio towers and office space); and a commercial building in Juneau, Alaska.

<sup>9</sup> A true and correct copy of the Sale Process Order is attached hereto as Exhibit C.

listings, details on operational and real property assets, and a copy of the Stalking Horse APA;

- e) The remaining parties contacted either decided not to pursue the opportunity prior to signing an NDA or did not respond despite efforts by the Receiver to follow-up on a weekly basis through email and direct phone calls; and
- f) On November 18, 2025, the Receiver made available in the VDR a form of template purchase agreement to accompany the submission of a binding offer. The bid deadline to submit binding offers was December 9, 2025 (the “Binding Offer Deadline”).

8. Pursuant to the Sales Process Order, the deadline for interested parties to submit a binding qualified bid, including a refundable deposit equivalent to 10% of the total consideration in the qualified bid, was December 9, 2025. The Sales Process Order further provided that the Stalking Horse Bidder shall be deemed to be a qualified bidder and that the Stalking Horse APA shall be deemed a qualified bid. As of December 9, 2025, the Debtors received no additional bids for the assets covered by the Stalking Horse APA.

9. The results of the Sale Process following the Binding Offer Deadline is as follows:  
(i) the Sale Process allowed for interested parties to consider the assets on a consolidated or standalone basis, however, offers received indicated that purchasers were interested in the assets by geographical region. No offers were received for the consolidated package of Texas and Alaska Assets, and (ii) no competing binding offers were received with respect to the Alaska Assets and the Stalking Horse APA was accepted as the Successful Alaska Assets Bid and no Alaska Assets Auction was held.

10. On January 12, 2026, the Receiver filed the an Application for the Approval and Vesting Order (the “Application to Sell”)<sup>10</sup> with the Canadian Court seeking entry of, *inter alia*, an order approving the sale of certain of the Debtors’ Alaska assets pursuant to the Stalking Horse

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<sup>10</sup> A true and correct copy of the Application to Sell is attached hereto as Exhibit D.

APA and assumption and assignment of certain executory contracts (the “Approval and Vesting Order”).<sup>11</sup> In connection therewith, the Receiver filed the *Second Report of the Receiver* (the “Second Report”).<sup>12</sup>

11. Pursuant to the Stalking Horse APA, the Stalking Horse Bidder is purchasing the Alaska Assets (as defined in the Stalking Horse APA in greater detail), but excluding the property included in section 1.9 of the Stalking Horse APA, for \$1,280,797.59.

12. The Stalking Horse APA also contemplates the following key terms:

- a) The Stalking Horse Bidder was required to provide proof of available and sufficient funds to the Receiver on or before October 22, 2025. This condition has been satisfied;
- b) The Stalking Horse Bidder will assume the working capital of the Alaska Radio Stations along with all liabilities and obligations of the Alaska Radio Stations arising out of the operations of these assets incurred on or after the date of the Recognition Order;
- c) The employees tied to the Alaska Radio Stations and the respective employee liabilities accrued since the date of the Receivership are to be assumed by the Stalking Horse Bidder; and
- d) The Stalking Horse Bidder is obligated to pay any cure costs for Assumed Contracts, of which management currently operating the Alaska Radio Stations have confirmed all have been kept current and no such cure costs are expected to exist.

13. The Stalking Horse Bidder under the Stalking Horse APA is an entity owned by Cliff Dumas, the CEO of the Debtors.

14. I believe a sale of the Purchased Assets other than one free and clear of all interests, except as otherwise provided in the Stalking Horse APA and the Approval and Vesting Order would yield substantially less value for the Debtors and their creditors than the alternative.

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<sup>11</sup> A true and correct copy of the proposed Approval and Vesting Order is annexed to the Application to Sell as Schedule A.

<sup>12</sup> A true and correct copy of the Second Report is attached hereto as Exhibit E.

Therefore, I believe a sale free and clear of all interests is in the best interests of the Debtors, their creditors, and other parties in interest.

15. I believe the transaction under the Stalking Horse APA is the best transaction available to the Debtors under the circumstances, and to ensure the Debtors' assets are maximized for the benefit of their stakeholders, including employees and counterparties to the Assumed Contracts being assumed by the Stalking Horse Bidder. The transaction under the Stalking Horse APA: (a) preserves the going-concern value of the Debtors' Alaska property and business; (b) maintains the Debtors' Alaska relationships with customers, suppliers, and other contractual counterparties to the greatest extent possible; and (c) preserves the employment of all or substantially all of the Debtors' Alaska employees. Accordingly, I believe that failure to consummate the transaction under the Stalking Horse APA would be detrimental to the Debtors, their stakeholders, and the public interest. ATB, the Debtors' senior secured creditor, supports the Stalking Horse APA and consents to sale of the Alaska Assets free and clear of all interests.

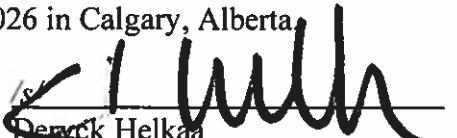
16. I believe the Stalking Horse APA was negotiated without fraud or collusion, in good faith, and from an arm's-length bargaining position. I believe the Receiver, on behalf of the Debtors, did not enter into the Stalking Horse APA for the purpose of hindering, delaying, or defrauding the Debtors' present or future creditors.

17. Additionally, the Stalking Horse APA provides for the assignment of the Debtors' rights, benefits, and interests in, to and under the Assumed Contracts. The Stalking Horse APA appends a list of Assumed Contracts. Upon the Closing, the Receiver will file a notice containing the final list of Assumed Contracts.

18. Upon the approval of the Application to Sell, the Receiver will file a notice with the Court attaching a copy of the order entered by the Canadian Court.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct to the best of my information and belief.

Executed on this 13th day of January, 2026 in Calgary, Alberta

  
Denyck Helkaa

COURT FILE NUMBER	2501-01744
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANT	ATB FINANCIAL
RESPONDENTS	LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC., BROADCAST 2 PODCAST, INC, and FRONTIER MEDIA LLC
DOCUMENT	FIRST REPORT OF FTI CONSULTING CANADA INC., IN ITS CAPACITY AS COURT APPOINTED RECEIVER AND MANAGER OF LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC., BROADCAST 2 PODCAST, INC, and FRONTIER MEDIA LLC



**October 16, 2025**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

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## **FIRST REPORT OF THE RECEIVER**

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## INTRODUCTION

1. On February 21, 2025 (the “**Date of Appointment**”), FTI Consulting Canada Inc. was appointed as receiver (the “**Receiver**”), without security, of all of the current and future assets, undertakings and properties (the “**Property**”) of Local First Media Group Inc. (“**Local First Media**”), Local First Properties Inc. (“**Local First Properties**” and together with Local First Media, collectively “**Local First**”), BTC USA Holdings Management Inc. (“**BTC USA**”), Local First Properties USA Inc. (“**Local First USA**”), Alaska Broadcast Communications, Inc. (“**Alaska Broadcast**”), Broadcast 2 Podcast, Inc. (“**B2P**”), and Frontier Media LLC (“**Frontier Media**”, collectively, with Local First, the “**Debtors**”), pursuant to an Order of the Honourable Justice M. J. Lema (the “**Receivership Order**”).
2. The Receivership Order authorizes the Receiver to, among other things, take possession of and exercise control over the Property, manage, operate and carry on the business of the Debtors, to market any or all of the Property including advertising and soliciting offers to purchase the Property, and to make such arrangements or agreements as deemed necessary by the Receiver.
3. On May 13, 2025, the Receiver filed a Notice of Chapter 15 Proceeding for each of the Debtors in the United States Bankruptcy Court in the Eastern District of Texas, Texarkana Division. On July 8, 2025, the motion seeking recognition of a foreign main proceeding, of a foreign representative and relief under Chapter 15 of the Bankruptcy Code, was granted (the “**U.S. Recognition Order**”).
4. The Receiver’s reports and other publicly available information in respect of these Receivership Proceedings will be posted on the Receiver’s website at <https://cfcanaada.fticonsulting.com/LocalFirst/> (the “**Receiver’s Website**”).

5. The purpose of this report (“**First Report**” or this “**Report**”) is to provide this Honourable Court with:
  - (a) The background of the Debtors and Property and the underlying operations;
  - (b) A summary of the activities of the Receiver since the Date of Appointment;
  - (c) The Receiver’s summary statement of receipts and disbursements from the Date of Appointment to October 10, 2025;
  - (d) A summary of the proposed stalking horse asset purchase agreement (the “**Stalking Horse APA**”) for certain radio related assets and operations (as defined below) located in Alaska as between the Receiver and Alaska First Media Inc. (the “**Stalking Horse Bidder**”);
  - (e) The details of the proposed sale process (the “**Sale Process**”) to be launched by the Receiver to market-test the Stalking Horse APA and solicit interest in other Property of the Debtors. The procedures for the Sale Process provide details outlining timelines and participation requirements for interested parties to participate in the process and are attached as Appendix “A”;
  - (f) An update on the marketing of the real estate property located at 3161 Channel Drive (“**3161 Channel Drive**”), Juneau, Alaska; and
  - (g) An update on proceedings in the United States and the filing for Chapter 15 protection under the U.S. Bankruptcy Code (the “**Chapter 15 Proceedings**”).
6. The Receiver is requesting the this Honourable Court approve the Sale Process and Stalking Horse APA.

## TERMS OF REFERENCE

7. In preparing this First Report, the Receiver has relied upon audited and unaudited financial information, other information available to the Receiver and, where appropriate, the Debtors' books and records and discussions with various parties with knowledge of the Debtors' business and operations (collectively, the "**Information**").
8. Except as described in this First Report:
  - (a) The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and
  - (b) The Receiver has not examined or reviewed financial forecasts and projections referred to in this First Report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
9. Future-oriented financial information reported or relied on in preparing this First Report is based on assumptions regarding future events. Actual results may vary from forecasts and such variations may be material.
10. The Receiver has prepared this First Report in connection with the Receiver's Application that is to be heard on October 23, 2025. This First Report should not be relied on for other purposes.

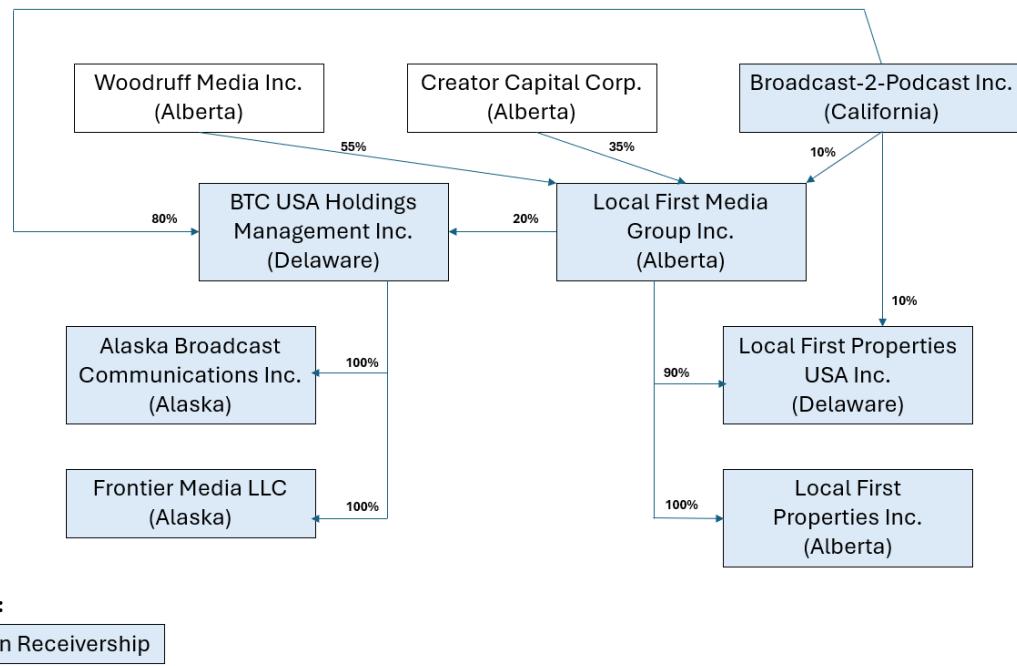
11. Information and advice described in this First Report that has been provided to the Receiver by its legal counsel, Norton Rose Fulbright Canada LLP (the “**Receiver’s Counsel**”) and Norton Rose Fulbright US LLP as legal counsel in the United States (“**Receiver’s U.S. Counsel**”), was provided to assist the Receiver in considering its course of action. It is not intended as legal or other advice to, and may not be relied upon by, any other person.
12. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.

## **BACKGROUND**

### **Business, Assets and Liabilities of the Debtors**

13. The Debtors are a group of Canadian and United States based companies operating radio stations in the United States. Collectively, the Debtors own the radio stations, the associated equipment and other personal property required to operate the radio stations, and certain real property. The real property includes assets specifically used to support radio station operations, as well as a commercial building located in Juneau, Alaska (3161 Channel Drive) that is leased, in part, to third parties.

14. The organizational chart for the Debtors is illustrated below:



15. Local First Media and Local First Properties are both incorporated in Alberta and are the main borrowers of the Secured Creditor as defined further below. They do not have direct ongoing operations.

16. Local First USA is incorporated under the laws of the state of Delaware and owns eight properties located across Alaska, Texas and Arkansas as summarized in the table below. The properties are a mix of office buildings and cell tower sites, some of which are currently occupied by 3<sup>rd</sup> party tenants (collectively, the “**Real Estate Properties**”).

Address	City	State	Land Size (Acres)	Property Description
3161 Channel Drive	Juneau	Alaska	1.69	Building Complex (with Cell Tower)
3890 North Douglas Highway	Juneau	Alaska	0.51	Cell Tower Site
611 Lake Street	Sitka	Alaska	0.57	Building and Cell Tower Site
526 Stedman Street	Ketchikan	Alaska	0.56	Building
615 Olive Street	Texarkana	Texas	0.20	Building Complex (with Cell Tower)
Brown Drive	Wake Village	Texas	7.69	Cell Tower Site
107 DeLoach Street	Texarkana	Texas	9.56	Cell Tower Site
3335 Highway 355 S	McNab	Arkansas	20.00	Cell Tower Site

17. BTC USA, incorporated under the laws of Delaware, Alaska Broadcast, incorporated under the laws of Alaska, and Frontier Media, incorporated under the laws of the state of Alaska, own and operate the radio stations and related Federal Communications Commission Licenses (the “**FCC Licenses**”).
18. Frontier Media is considered the operational entity of the Debtors. Operations are split between Alaska and Texas with 6 operating radio stations in Juneau, Alaska; 2 in Ketchikan, Alaska; 2 in Sitka, Alaska; (collectively, the “**Alaska Radio Stations**”) and 7 in Texarkana, Texas (the “**Texas Radio Stations**”, and collectively with the Alaska Radio Stations, the “**Radio Stations**”).
19. For the 8-month period ended August 31, 2025, operating revenue for the Alaska Radio Stations and Texas Radio Stations were approximately US \$1.3 million and US \$499,500, respectively. As of the date of this First Report, the Alaska Radio Stations had 11 employees and 7 contractors and the Texas Radio Stations had 5 employees and 15 contractors.
20. As at December 31, 2024, the date of the most recent (unaudited) Frontier Media financial statements, Frontier Media had total assets with a book value of approximately US \$1.0 million as summarized below<sup>1</sup>.
  - (a) Cash and cash equivalents of US \$46,400;

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<sup>1</sup> the Receiver notes that the book values do account for the value of the Real Estate Properties owned by the Debtors, as discussed below:

- (b) Trade and other receivables of US \$752,500; and
- (c) Property, plant and equipment of US \$208,100.

21. The Real Estate Properties are owned by Local First USA for which financial statements were not prepared or provided to the Receiver. However, management provided the Receiver with a land asset / property valuation report for the Real Estate Properties (dated October 22, 2024), indicating an estimated real property value of US \$6.7 million

22. At the Appointment Date, the Debtors owed approximately US \$8.2 million plus accrued interest and legal costs to ATB Financial (“ATB” or the “**Secured Creditor**”), the creditor holding security on the Debtors’ Property.

23. As at the Appointment Date, the Debtors reported approximately US \$5.6 million owed to unsecured creditors, the majority of which are located in the United States.

24. The Receiver has instructed Receiver’s Counsel to conduct an independent review of the validity and enforceability of the security held by ATB over the Property and will report on the results of this review once complete.

## **RECEIVER’S ACTIVITIES**

### **Custody and Control**

25. On the Date of Appointment, the Receiver advised management of the Debtors that the Receivership Order had been granted and the Receiver was therefore entitled to take possession of the Debtors’ Property in accordance with the terms of the Receivership Order.

26. Given the widespread geographical nature of the Debtors, the Receiver held virtual meetings with:

- (a) Cliff Dumas (“**Mr. Dumas**”), Managing Partner of Frontier Media (located in Juneau, Alaska), to discuss the operations of the Radio Stations, the FCC Licenses, and the ownership of the Real Estate Properties of the Debtors; and
- (b) Bryan Woodruff (“**Mr. Woodruff**”), Managing Partner of Local First (located in Edmonton, Alberta), to discuss the operations of Local First and the ownership of the Real Estate Properties.

27. During the discussions with Mr. Dumas, concerns were raised over the Receiver taking “control” over the Radio Stations. Mr. Dumas raised concerns that the Receiver, being a Canadian entity, could not exercise control over the Debtors’ FCC Licenses, and if this control was taken, it could jeopardize the validity of the FCC Licenses due to “foreign ownership”. The operations of both the Alaska Radio Stations and Texas Radio Stations would not be possible without the FCC Licenses.

28. The Receiver, in consultation with the Receiver’s U.S. Counsel and engagement with FCC licensing experts, contemplated the risks of the Receiver stepping into the shoes of management and operating the Radio Stations in the United States. Ultimately, it was decided the best course of action was to keep the current management of the Radio Stations in place to ensure no risk of impacting the validity of the Debtors’ FCC Licenses, and ultimately, the operations of the Radio Stations. The concern was that the going-concern value of the Radio Stations was tied directly to the FCC Licenses and the continued operations.

29. Although unconventional in a receivership proceeding, the Receiver, in consultation with the Receiver's Counsel, the Receiver's U.S. Counsel and the Secured Creditor, agreed that the best path forward for maintaining operations and preserving value to the stakeholders was to protect the validity of the FCC Licenses and maintain the operations on a going concern basis. Accordingly, although the Receivership Order provides that the Receiver may, but is not obligated to, operate the Debtors' business, the Receiver opted to not to take control of the operations of the Radio Stations nor control the FCC Licenses. As such, the day-to-day operations remain under the oversight of Mr. Dumas and his management team.
30. In order to avoid operational issues, Mr. Dumas and the Receiver reached an arrangement to allow for the continued operations of the Radio Stations whereby Mr. Dumas continued to operate and maintain control of the broadcasting operations of all the Radio Stations with the assistance of Mr. Col Taylor, who oversees the Texas Radio Stations.
31. Pursuant to the Receivership Order, the Receiver has obtained control of the Debtors' Canadian bank accounts with ATB and has provided instruction to freeze secondary Canadian bank accounts opened with the Bank of Montreal (the "**BMO Accounts**"). Since the Date of Appointment, the Receiver has opened its own receivership accounts. However, the operations of the Radio Stations, and related bank accounts in the United States, have been maintained by Mr. Dumas, as required to maintain control of the operations as discussed above.
32. The Receiver has received summary reporting from Mr. Dumas relating to the Radio Stations' operations including financial statements, listing of unpaid suppliers, aged accounts receivable ledgers and monthly operating results. Certain of this information was also compiled to be used in conjunction with the Sale Process discussed below.

## Real Estate Properties

33. As discussed above, certain of the Real Estate Properties are used directly by the Radio Stations' operations including providing office space and cell tower sites.
34. 3161 Channel Drive is a commercial complex that has third party leases and also acts as the main office for the Alaska Radio Stations.
35. Three other Real Estate Properties are tied to the operations of the Alaska Radio Stations (the "**Alaska Stations' Real Estate**") and include the following properties, all located in Alaska:
  - (a) 3890 North Douglas Highway, a cell tower;
  - (b) 611 Lake Street (small building and cell tower); and
  - (c) 526 Stedman Street.
36. Four of the Real Estate Properties are tied to the operations of the Texas Radio Stations (the "**Texas Stations' Real Estate**") and include the following:
  - (a) 615 Olive Street, Texarkana, Texas (main office building with cell tower);
  - (b) Brown Drive, Wake Village, Texas (cell tower site);
  - (c) 107 DeLoach Street, Texarkana, Texas (cell tower site); and
  - (d) 3335 Highway, McNab, Arkansas (cell tower site).
37. The following properties have third party rental arrangements, and through discussions with Mr. Dumas and Mr. Woodruff, the Receiver was notified of various lease agreements in place including:

- (a) current tenants occupying 3161 Channel Drive; and
- (b) various tower rentals.

38. The Receiver has contacted the third parties who are leasing property from the Debtors and made arrangements for continued payments. The approximate monthly third-party rental amounts are US \$20,600.

39. The Receiver was made aware of certain lease payment disputes related to a lease with GCI Communication Corp (“GCI”), a main tenant of 3161 Channel Drive. GCI notified the Receiver of pre-filing disputes with Debtors leading to withheld rent payments (the “**Withheld Rent**”) pending confirmation of the correct legal entity within the Debtors’ organization to which the payments were to be made.

40. The Receiver understands that, for the period of December 2024 to June 2025, GCI had been paying monthly rent into a trust account. The Receiver understands that GCI was instructed by Mr. Woodruff (former management of the Debtors) to issue payment for the Withheld Rent to Local First Properties Inc.

41. On June 11, 2025, unknown to the Receiver at the time, GCI mailed a cheque to Mr. Woodruff for the Withheld Rent in the amount of US \$73,598. This cheque was deposited into the BMO Accounts on June 16, 2025, and fully withdrawn by Mr. Woodruff by July 28, 2025. Mr. Woodruff notified the Receiver that these amounts were used to pay salary arrears owing to himself prior to the Receivership and such payment was made without the approval of the Receiver. Mr. Woodruff has not been retained by the Receiver and has not been involved in any day-to-day operations since the Date of Appointment.

42. The Receiver is continuing discussions with Mr. Woodruff on the events surrounding the instructions to GCI to pay the Withheld Rent to the BMO Accounts, the subsequent payments from the BMO Accounts and the pre-filing salary arrears and will provide this Court with an update at a later date.

43. The Receiver requested that GCI remit monthly rent payments for the building and ground leases be paid directly to the Receiver's bank account and can confirm that ground lease payments for the period of December 2024 to October 2025 and building lease payments for July through October 2025 have been remitted directly to the Receiver.

### **Insurance**

44. The Receiver confirmed that insurance was in place for the Debtors' Property and operations which was in place until April, 2026. In preparing this Report, it was determined that certain insurance coverage had lapsed pre-maturely for non-payment. The Receiver is finalizing terms of supplemental insurance to ensure that the operations of the Radio Stations and Real Estate Properties are sufficiently covered.

### **Statutory Notices**

45. As all operations are ongoing in the United States, excluding the Secured Creditor, the majority of trade creditors are located in the United States. Accordingly, the Receiver notes that as part of the Chapter 15 Proceedings, all known creditors were provided with notice of the Receiver's appointment and the Chapter 15 Proceedings.
46. Stretto was engaged by the Receiver to provide notice to all known creditors. Stretto mailed the Chapter 15 Proceedings materials to all known creditors and have posted the materials to their case site at <https://cases.stretto.com/LocalFirstMedia>.
47. The materials were mailed to 171 known creditors, 10 of which were Canadian creditors.

48. In addition to the notice of the Chapter 15 Proceedings sent by Stretto, the Receiver has since mailed the notice and statement of receiver in accordance with subsection 245(1) and 246(1) of the *Bankruptcy and Insolvency Act* to the Superintendent of Bankruptcy and to all known creditors of the Debtors.

### **Website and Receiver Contacts**

49. The Receiver established a website at <https://cfcanaada.fticonsulting.com/LocalFirst/default.htm> where it will post periodic updates on the progress of the Receivership Proceedings, along with copies of court orders, motion materials and reports filed in connection with these Receivership Proceedings and the Receiver's contact information to facilitate stakeholder inquiries.

### **US Proceedings and Chapter 15 Filing**

50. On April 3, 2025, the Receiver engaged the Receiver's U.S. Counsel to provide legal services with respect to the preparation, filing and prosecution of a petition for recognition of a foreign proceeding pursuant to Chapter 15 of Title 11 of the United States Bankruptcy Code (the "**Recognition Proceeding**"), including requests for the United States Courts to recognize the Receivership Proceedings as a foreign main proceeding and to afford authority and powers available under the United States Bankruptcy Code to the Receiver to carry out its duties in the Receivership Proceedings and to assist in the facilitation of the completion of the Sale Process, which involves significant assets and operations in the United States.
51. The Recognition Proceeding was filed in the United States Bankruptcy Court for the Eastern District of Texas, Texarkana Division. On July 8, 2025 the Recognition Order was granted.

52. Prior to the Recognition Proceedings, considerable negotiations and discussions were held with Mr. Dumas regarding the effect of the Receivership Proceedings on the FCC Licenses and Radio Stations operations. Accordingly, certain delays were experienced in obtaining the U.S. Recognition Order. Ultimately, an agreement was reached, as discussed above, that the operations would remain under the control of Mr. Dumas with the assistance of Mr. Taylor, and the U.S. Recognition Order was obtained without objection on July 8, 2025.
53. The Receiver is requesting certain relief from this Court, including approval of the Sale Process and the Stalking Horse APA (as discussed below). Following the completion of the Sale Process, the Receiver will take appropriate steps to seek recognition of any subsequent approval and vesting order in the Chapter 15 Proceedings.

## **SUMMARY OF RECEIPTS AND DISBURSEMENTS**

54. As the day-to-day operations of the Radio Stations are under the control of Mr. Dumas and Mr. Taylor, the operational receipts and disbursements are not included in the below summary of the Receivers bank accounts. The Receiver has requested weekly cash flow forecasts for the Radio Stations and has been working with management to monitor unpaid trade payables and confirm post-filing payments are being made in normal course.

55. The receipts and disbursements of the Receiver's bank accounts from the Date of Appointment to October 10, 2025 are summarized as follows, which exclude the operations of the Radio Stations:

<b>Schedule of Receipts and Disbursements</b>	
<b>As at October 10, 2025</b>	
<i>(CAD 000's)</i>	
<b>Receipts</b>	
Opening Cash	\$ -
Rent	67,655
<b>Total Receipts</b>	<b>67,655</b>
<b>Disbursements</b>	
Payroll	(42,302)
Professional Fees & Sales Agent	(27,818)
Bank Charges & FX	(12)
<b>Total Disbursements</b>	<b>(70,132)</b>
<b>Net Cash on Hand, before Financing</b>	<b>(2,477)</b>
Net Receiver's Advances	91,967
<b>Ending Cash on Hand, after Financing</b>	<b>\$89,490</b>

(a) Rent – building and ground lease payments from tenants at 3161 Channel Drive;

(b) Payroll – advance to Frontier Media to cover payroll costs relating to operations of the Radio Stations;

(c) Professional Fees & Sales Agent – retainers for the Receiver's U.S. Legal Counsel and Realtor Fees;

(d) Bank Charges & FX – relates to banking fees and foreign exchange on account transfers (CAD to USD accounts); and

(e) Net Receiver's Advances – advances from the Secured Creditor.

56. As at October 10, 2025, the Receiver held \$89,490 in cash on hand.

57. The Radio Stations have continued operations in the normal course on almost break-even basis. While not in control of the operations or banking accounts, based on information provided, the Receiver understands that trade and operating payables are being paid in the normal course with approximately \$40,000 remaining payable at this time.

## **SALE PROCESS AND STALKING HORSE APA**

### **Sale Process Background**

58. The Receiver is preparing to launch the Sale Process and seeks approval of the Sale Process and procedures from this Court as well as the Stalking Horse APA (as discussed below).

59. The Receiver has been working with management in order to prepare for launching the Sale Process, including the following:

- (a) Reviewing marketing material that had previously been prepared by a third-party and updating for current information;
- (b) Analyzing the industry trends and preparing a valuation of the Radio Stations and the Real Estate Properties;
- (c) Identifying potential bidders;
- (d) Discussing with management and the Secured Creditor as to an appropriate and reasonable set of procedures to market and sell the Property of the Debtors that would seek to maximize value; and
- (e) Updating financial and other data to be populated in the virtual data room (the “**VDR**”).

60. As part of the Sale Process (the Sale Process procedures are attached as Appendix “A”), the Receiver intends to market and sell all of the radio station assets and real property related to the Radio Stations, excluding 3161 Channel Drive (real property located in Juneau, Alaska). 3161 Channel Drive is currently listed for sale (as discussed below).
61. The Sale Process includes the operations of the Radio Stations and the related real estate comprising the Alaska Stations’ Real Estate and the Texas Stations’ Real Estate.

### **The Stalking Horse APA**

62. In preparation of the sales process for the Property of the Debtors, the Receiver consulted with Mr. Dumas on marketing materials and maximizing recoveries to the stakeholders. Following these discussions, Mr. Dumas, through his company, Alaska First Media Inc. (“**Alaska First**”), elected to put forward a pre-emptive offer with respect to the Alaska Radio Stations, including the Alaska FCC Licenses and Alaska Stations’ Real Estate. After further discussions between the Receiver and the Secured Creditor, the offer resulted in the Stalking Horse APA.
63. The key economic details of the Stalking Horse APA are summarized below (the executed Stalking Horse APA is attached as Appendix “B”):
  - (a) On October 16, 2025, the Stalking Horse APA was executed between the Receiver and Alaska First in the amount of US \$1,280,798 (the “**Purchase Price**”) for the Alaska Radio Stations and the Alaska Stations’ Real Estate. A non-refundable good faith deposit of US \$15,000 has been provided to the Receiver upon signing of the Stalking Horse APA;

- (b) The Purchase Price is based on an analysis of the radio station listenership, operational performance and underlying real estate values. However, the Sales Process will allow the Receiver to market-test the Stalking Horse APA to ensure the value of the assets is being optimized;
- (c) The Stalking Horse APA contemplates a 1.5% breakup fee (the “**Breakup Fee**”), payable to the Stalking Horse Bidder should the Stalking Horse APA not be the successful bid in the Sale Process. The eligibility of the Breakup Fee is contingent upon the Stalking Horse Bidder providing to the Receiver, on or before October 22, 2205, proof of available and sufficient funds to consummate the Stalking Horse APA. The Breakup Fee is lower than industry standards and the Receiver believes it is reasonable in the circumstance as it will keep Mr. Dumas engaged in running and maintaining the operations during the Sale Process, which the Receiver believes is critical to maximizing value of the business;
- (d) The Stalking Horse Bidder will assume the working capital of Alaska Radio Stations (i.e., aged accounts receivable outstanding for 30 days or less);
- (e) The Stalking Horse Bidder shall assume and become responsible for all liabilities and obligations of the Alaska Radio Stations arising out of the operations of these assets that were incurred on or after the date of the U.S. Recognition Order; and
- (f) The employees tied to the Alaska Radio Stations and the respective employee liabilities accrued since the date of the Receivership are to be assumed by the Stalking Horse Bidder.

## Sale Process

64. The Sale Process contemplates a single phase, six (6) week timeline from formal launch on October 27, 2025 to the date required for submitting binding bids. The Sale Process contemplates seeking bids for the operations of the Radio Stations (Alaska Radio Stations and Texas Radio Stations) along with the related Alaska Stations' Real Estate and the Texas Stations' Real Estate. Offers received for the Alaska Radio Stations (and Alaska Stations' Real Estate) would be compared as against the terms of the Stalking Horse APA.
65. The following summarizes the timeline for the major milestones contemplated in the Sale Process:
  - (a) October 27, 2025 – formally launch the Sale Process, send out an e-mail blast to potential interested parties, post and advertise teaser, and open VDR. The teaser and procedures to be posted to the Receiver's website;
  - (b) In order to participate in the Sale Process, each potential bidder must deliver to the Receiver an executed confidentiality agreement in form and substance satisfactory to the Receiver at which time the potential bidder shall be deemed to be a qualified bidder ("Qualified Bidder") and be provided access to the VDR;
  - (c) A copy of the Stalking Horse APA would be provided to Qualified Bidders to assess offers relating to those assets;
  - (d) October 28, 2025 to December 5, 2025 – the Receiver will field questions from interested parties, facilitate management presentations and work with Qualified Bidders towards submitting binding bids;

- (e) December 9, 2025 (12:00 p.m. MST) – binding bid deadline to submit binding offers with deposit (refer to Sale Process procedures at **Appendix “A”** for details defining requirements to be deemed a “Binding Bid”);
- (f) December 2025 – the Receiver, in consultation with the Secured Creditor, will assess the Binding Bids received. A winning bid or bids will be selected and the Receiver will seek Court approval to close the transaction(s);
- (g) Specifically, with respect to the Stalking Horse APA:
  - i. Any party wishing to make an offer for the Alaska Radio Stations or Alaska Stations’ Real Estate are required to submit a Binding Bid exceeding the Stalking Horse APA by no less than US \$100,000 inclusive of the 1.5% breakup fee (a “**Qualified Alaska Bid**”);
  - ii. If any Qualified Alaska Bids are received, the Receiver will conduct an auction on December 15, 2025 (the “**Alaska Assets Auction**”) to determine the highest or best bid (the “**Successful Alaska Assets Bid**”); and
  - iii. In the event that no Qualified Alaska Bids, other than the Stalking Horse APA, are received, there will be no auction and the Stalking Horse APA will be deemed to be the Successful Alaska Assets Bid;
- (h) With respect to the Texas Radio Stations and Texas Stations’ Real Estate assets, where multiple Binding Bids are received and the Receiver determines, in consultation with the Secured Creditor, that an auction would be beneficial to the Sale Process, an auction will be held on December 15, 2025 (the “**Texas Assets Auction**”) to determine the highest or best bid (the “**Successful Texas Assets Bid**”); and

- (i) If multiple Binding Bids are received on all the Radio Stations and related real estate assets, and the Receiver determines, in consultation with the Secured Creditor, that an auction would be beneficial to the Sale Process, an auction will be held on December 15, 2025 to determine the highest or best bid.

66. The Receiver believes that the Sale Process timeline is sufficient to fully market the assets and/or operations of the Debtors and will provide an opportunity to market-test the Stalking Horse APA. The Receiver notes that while the non-refundable deposit is modest, Mr. Dumas is committed to the process as evidenced by his continuing to support in overseeing the operations of the Radio Stations.

### **Marketing and Advertising**

67. The Sale Process procedures contemplate that, as soon as reasonably practicable after the approval of the Sale Process, the Receiver would:

- (a) Post the teaser and Sale Process to the Receiver's website;
- (b) Post advertisements on the following media outlets:
  - i. Insolvency Insider;
  - ii. Juneau Empire; and
  - iii. Texarkana Gazette; and
- (c) Establish a VDR for Qualified Bidders containing confidential information concerning the Property, including, but not limited to, financial and operational information, details of the Real Estate Properties and details of the Radio Stations.

### **3161 CHANNEL DRIVE LISTING**

68. On May 20, 2025, the Receiver, with consent from the Secured Creditor, entered into a listing agreement with REAL Broker Alaska & Real Broker LLC (the “Realtor”) to list the 3161 Channel Drive property. The Realtor is locally based in Juneau and has extensive experience and expertise in the local market.
69. The Receiver selected the Realtor as they had previously been engaged by the Debtors to market and sell 3161 Channel Drive. The Receiver has been working with the Realtor to provide diligence about the property (current tenants and lease agreements in place) and to review any inbound offers. Furthermore, the Receiver has an independent third-party appraisal which is being used to evaluate offers.
70. Given the substantial exposure to the market and the engagement of a broker with local experience and expertise, the Receiver is satisfied that the Realtor is qualified to sell 3161 Channel Drive. The Receiver intends to further report to this Court and seek required Court approval once an acceptable transaction is obtained on 3161 Channel Drive.

### **RECEIVER’S SUMMARY COMMENTS AND RECOMMENDATIONS**

71. The Debtors’ operations are a unique business in that they comprise the operations of local radio stations in remote locations. Furthermore, the operations have an added layer of complexity with the FCC Licenses and the ability to continue operating such assets. As noted above, without the FCC Licenses or support of current management of the Radio Stations, continuing on a going concern or obtaining any going concern value would not be possible.
72. The Receiver believes that the Stalking Horse APA allows certainty of continued operations with the bid being market-tested. Furthermore, the Sale Process will also market the Texas Radio Stations to seek offers on a going concern basis. A

going concern transaction would preserve over 38 employees and contract staff for the Radio Stations, many of which are in small markets.

73. The Receiver notes that the purchase price set in the Stalking Horse APA was based on negotiations between Mr. Dumas and the Receiver and was based on a review of current operations and a valuation of the underlying real estate that is included in the Stalking Horse APA. The purchase price is based on current financial information and comparable data, and the Receiver also notes that the Stalking Horse APA will be market-tested.
74. The Receiver respectfully requests that this Honourable Court grant the approval of the Stalking Horse APA and the Sale Process.

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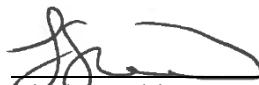
All of which is respectfully submitted this 16<sup>th</sup> day of October 2025.

FTI Consulting Canada Inc.,  
in its capacity as receiver and manager of  
Local First Media Group Inc., Local First  
Properties Inc., BTC USA Holdings  
Management Inc., Local First Properties  
USA Inc., Alaska Broadcast  
Communications, Inc., Broadcast 2  
Podcast, Inc., and Frontier Media LLC,  
and not in its personal or corporate  
capacity



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Deryck Helkaa  
Senior Managing Director



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Lindsay Shierman  
Managing Director

# **Appendix “A”**

## **Sale Process**

## **PROCEDURES FOR THE SOLICITATION AND SALE PROCESS**

On February 21, 2025, FTI was appointed as receiver and manager (the **Receiver**) of the current and future assets, undertakings and properties of Local First Media Group Inc., Local First Properties Inc., BTC USA Holdings Management Inc., Local First Properties USA Inc., Alaska Broadcast Communications, Inc., Frontier Media LLC and Broadcast 2 Podcast, Inc. (the **Debtors**) pursuant to an Order granted by the Honourable Justice M. J. Lema (the **Receivership Order**) (the **Receivership Proceedings**). The Receivership Proceedings commenced upon application by ATB Financial, the fulcrum secured creditor of the Debtors (the **Secured Creditor**).

On July 8, 2025, the US Bankruptcy Court for the Eastern District of Texas, Texarkana Division (the **US Court**), entered an Order Granting Petition for Recognition as Foreign Main Proceeding Pursuant to Sections 1517 and 1520 of the US Bankruptcy Code and Related Relief (**Receivership Recognition Order**), which recognized the Receiver as foreign representative under Chapter 15 of the US Bankruptcy Code.

The Receiver has determined that a sale solicitation process (**Sale Process**), as set out herein, is the best and most effective way to realize on the Debtors' property. The Receiver intends to seek a Court order approving of this Sale Process (the **Sale Process Order**). The Sale Process will be conducted by the Receiver in the manner set forth herein and in accordance with the Sale Process Order.

Among other things, the Sale Process Order will also approve the stalking horse agreement (as may be amended from time to time pursuant to its terms and the Sale Process Order, the **Stalking Horse Agreement**) to be entered into between the Receiver, BTC USA Holdings Management, Inc., Frontier Media LLC, and Alaska Broadcast Communications Inc., as sellers, and Alaska First Media Inc., an Alaska corporation (in such capacity, the **Stalking Horse Bidder**), for the purposes of serving as the stalking horse bid (the **Stalking Horse Bid**) in respect of the Alaska Property (defined below).

For the avoidance of doubt, the implementation of the transaction contemplated by the Stalking Horse Agreement is conditional upon the Stalking Horse Bid being selected as a Successful Bid (as defined below) in respect of the Alaska Property (as defined below) in accordance with these bidding procedures (the **Bidding Procedures**), and approval of the Stalking Horse Agreement and the transaction contemplated therein.

All references to monetary amounts in these Bidding Procedures shall refer to United States dollars.

Set forth below are the procedures to be followed with respect to the Sale Process.

### **1 Summary of Sale Process**

- 1.1 The Sale Process is intended to solicit interest in, and opportunities for a sale of, all or part of the property, which primarily consists of radio stations, and related licenses and personal property, located in Alaska, Texas, and Arkansas.
- 1.2 To maximize interest and participation in this opportunity, the Sale Process will provide for:
  - (a) the sale of the interests of BTC USA Holdings Management, Inc., Frontier Media LLC, and Alaska Broadcast Communications Inc. in certain property located in or around Sitka, Ketchikan and Juneau, Alaska, and related rights and interests (the **Alaska Property**); and
  - (b) the sale of the interests of BTC USA Holdings Management Inc., Frontier Media LLC, and Alaska Broadcast Communications Inc. in certain property located in or around Texarkana, Hope, and New Boston, in Texas and Arkansas, and related rights and interests (the **Texas Property**, and, collectively with the Alaska Property, the **Property**).

- 1.3 The Receiver intends to conduct the marketing and Sale Process for the Alaska Property and Texas Property concurrently.
- 1.4 Except to the extent otherwise set forth in a determinative sale agreement with a successful bidder, any sale proposal will be on an "as is, where is" basis and without surviving representations or warranties of any kind, nature or description by the Receiver.
- 1.5 The Stalking Horse Agreement constitutes a Binding Offer and Qualified Bid (each as defined below) in respect of the Alaska Property under the Sale Process and will serve as the Stalking Horse Bid for the purposes of this Sale Process and the Bidding Procedures. The Stalking Horse Bidder shall have the right to participate in any Auction in respect of the Alaska Property. Notwithstanding the Stalking Horse Agreement and proposed transaction therein, all interested parties are encouraged to submit bids based on any form that they may elect to advance pursuant to the Sale Process, including as an *en bloc* or partial sale proposal. Copies of the Stalking Horse Agreement will be made available to all Qualified Bidders (as defined below). A form based on such agreement, to be uploaded to the VDR (as defined below), shall be used as the basis for any Binding Offer made in the Sale Process in respect of the Alaska Property. A separate form shall be uploaded to the VDR to be used as a basis for any Binding Offer made in the Sale Process in respect of the Texas Property.
- 1.6 The major stages of the Sale Process will be comprised of:
  - (a) **Marketing:** advertising, contacting potential buyers, responding to requests for information and disseminating marketing material to potential buyers;
  - (b) **Offer Submission and Evaluation:** solicitation, receipt of, evaluation and negotiation of offers from potential buyers;
  - (c) **Auctions:** to be held in respect of the Alaska Property and the Texas Property if competing offers are made for the respective Property; and
  - (d) **Approval:** seeking and receipt of Court approval by the Receiver in the Receivership Proceedings, followed by recognition by the US Court.
- 1.7 Subject to paragraph 4.9 below, the Receiver may at any time and from time to time modify, amend, vary or supplement the Bidding Procedures, without the need to obtain an order of the Court or provide notice to Participating Bidders, Binding Offer Bidders, Qualified Bidders, or the Successful Bidder(s) (each as defined below), provided that such modification, amendment, variation or supplement is (a) expressly limited to changes that do not alter, amend or prejudice the rights of such bidders (including the rights of the Stalking Horse Bidder, except with the authorization of the Stalking Horse Bidder) and (b) necessary or useful in order to give effect to the substance of the Sale Process, the Bidding Procedures or the Sale Process Order. Notwithstanding the foregoing, the dates or time limits indicated in the table contained below and elsewhere in these Bidding Procedures may be extended by the Receiver as the Receiver deems necessary or appropriate, acting reasonably, and in consultation with the Secured Creditor, without the requirement to obtain a further Court order.
- 1.8 The Receiver will, as soon as practicable, post on the Receiver's website and serve on the service list maintained in the Receivership Proceedings any such modification, amendment, variation or supplement to these Bidding Procedures and inform the bidders impacted by such modifications.
- 1.9 In the event of a dispute as to the interpretation or application of the Sale Process Order or the Bidding Procedures, the Court will have exclusive jurisdiction to hear and resolve such dispute. For the avoidance of doubt, all bidders shall be deemed to have consented to the jurisdiction of the Court in connection with any disputes relating to the Sale Process, including the qualification of

bids, the construction and enforcement of the Sale Process, and closing of a Successful Bid, as applicable.

## 2 Timeline

2.1 The following table sets out key milestones and anticipated deadlines for the Sale Process:

Milestone	Date
Commence solicitation of interest from parties, including delivering NDA and Teaser Letter, and upon execution of NDA (each as defined below), access to VDR	October 27, 2025
Binding Offer Deadline	December 9, 2025
<u>Alaska:</u> If no Qualified Bids are received other than the Stalking Horse Bid, selection of Stalking Horse Bid as the Successful Bid as Successful Bidder  <u>Texas:</u> If no competing Qualified Bids are received, selection of highest and best Qualifying Bid as Successful Bid	December 9, 2025
Hearing of Approval Application (defined below)	On or before January 30, 2026
Hearing of Recognition Motion (defined below)	On or before February 9, 2026
Closing of Successful Bids	As soon as possible following hearing of Approval Application and Recognition Order motion, but in any event, no later than March 31, 2026
<i>If multiple Qualified Bids are received for either or both Properties</i>	
Deadline to notify Qualified Bidders of Auction	December 10, 2025
Auction/s	December 15, 2025
Selection of Successful Bidder	December 16, 2025
Execution of Definitive Documents reflecting changes to Qualified Bid arising from Auction	December 19, 2025
Hearing of Approval Application	On or before January 30, 2026
Hearing of Recognition Order motion (defined below)	On or before February 9, 2026
Closing of Successful Bid	As soon as possible following hearing of Approval Application and Recognition Order motion, but in any event, no later than March 31, 2026

### 3 Solicitation of Interest

- 3.1 As soon as reasonably practicable, but, in any event, by no later than two (2) Business Days after the granting of the Sale Process Order:
  - (a) the Receiver will prepare: (i) a teaser letter (the **Teaser Letter**) describing the opportunity, outlining the Sale Process and inviting recipients to express their interest; (ii) a non-disclosure agreement (**NDA**); and (iii) a confidential information memorandum (the **CIM**). The Teaser Letter, NDA and CIM shall be in a form and substance satisfactory to the Receiver. The CIM will specifically state that the Receiver and its respective advisors make no representation or warranty as to the accuracy or completeness of the information contained in the CIM and the VDR (defined below), or otherwise made available pursuant to the Sale Process, and further state that the Sale Process is limited to the sale of the Debtors' rights, interests and undertakings with respect to the Property.
  - (b) the Receiver will prepare a list of potential bidders, including (i) parties that have approached the Receiver or the Debtors indicating an interest in the Property, and (ii) other parties that the Receiver believes may be interested in purchasing all or part of the Property, in each case whether or not such party has submitted a letter of intent or similar document (collectively, the **Known Potential Bidders**);
  - (c) the Receiver will gather and review all required due diligence material to be provided to interested parties and shall establish a VDR (defined below), which will be maintained and administered by the Receiver during the Sale Process;
  - (d) consistently with paragraph 1.5 herein, the Receiver will develop draft forms of asset purchase agreement for use during the Sale Process (the **APA**).
- 3.2 The Receiver will cause the Teaser Letter and NDA to be sent to each Known Potential Bidder by no later than two (2) Business Days after the granting of the Sale Process Order, and to any other party who requests a copy of the Teaser Letter and NDA or who is identified to the Receiver as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.
- 3.3 In addition to the foregoing, within five (5) Business Days after the granting of the Sale Order, the Receiver shall cause a notice or notices of the Sale Process (and such other relevant information which the Receiver considers appropriate) to be published on the Receiver's website and in the following media outlets:
  - (a) Insolvency Insider;
  - (b) Juneau Empire;
  - (c) Texarkana Gazette.
- 3.4 A confidential virtual data room (the **VDR**) in relation to the Property will be made available by the Receiver to Participating Bidders (defined below). The VDR will include all documentary materials available regarding the Property that are reasonably likely to be relevant to Participating Bidders in their assessment of the Property, and shall include the Teaser Letter, the CIM, the Stalking Horse Agreement and the forms of APA to be used by Participating Bidders in making bids. The VDR shall be made available as soon as practicable following the granting of the Sale Process Order.
- 3.5 The Receiver may, in its discretion, limit the access of any Potential Bidder to any confidential information in the VDR where the Receiver reasonably determines that such access could

negatively impact the Sale Process, the ability to maintain the confidentiality of the information, the Property, or its value.

#### 4 Participation and Binding Offers

- 4.1 Any party who wishes to participate in the Sale Process (a **Potential Bidder**) must provide to the Receiver, at the addresses specified in Appendix 1 hereto (including by email transmission), in form and substance acceptable to the Receiver, (a) an NDA executed by it, (b) written confirmation of the identity of the Potential Bidder, (c) the contact information for such Potential Bidder, (d) full disclosure of the direct and indirect principals of the Potential Bidder, and (e) documentary evidence of such Potential Bidder's financial wherewithal and ability to consummate a sale or investment pursuant to the Sale Process, in the form of proof of cash-on-hand and/or unconditionally committed financing.
- 4.2 A Potential Bidder who, in the Receiver's judgment, has satisfied the requirements in paragraph 4.1, will be deemed a "**Participating Bidder**". All Participating Bidders will be granted access to the VDR (subject to paragraph 3.5 herein). The Stalking Horse Bidder is, and will be deemed to be, a Participating Bidder.
- 4.3 The Receiver and its respective advisors make no representation or warranty as to the information contained in the VDR, the CIM, the Teaser Letter, or otherwise made available pursuant to the Sale Process. Participating Bidders must rely solely on their own independent review, diligence, investigation and/or inspection of all information and of the Property in connection with their participation in the Sale Process and any transaction they enter into in respect thereof.
- 4.4 At any time during the Sale Process, the Receiver may, in its reasonable judgment, eliminate a Participating Bidder from the Sale Process, in which case such bidder will be eliminated and will no longer be a "Participating Bidder" for the purposes of the Sale Process.
- 4.5 The Receiver, shall, subject to competitive and other business considerations, afford each Participating Bidder such access to due diligence materials and information relating to the Property as the Receiver may deem appropriate. Any materials provided to a Participating Bidder at such Participating Bidder's request shall also be posted in the VDR, subject to Paragraphs 3.5 and 4.6. Due diligence access may include presentations, access to the VDR, on-site inspections, and other matters that a Participating Bidder may reasonably request and as to which the Receiver, in its reasonable judgment, may agree. Any access or interactions with the Debtors shall be coordinated through the Receiver.
- 4.6 The Receiver shall be solely responsible for coordinating and responding to all requests for information and due diligence access from Participating Bidders; Participating Bidders with such requests shall make them to the Receiver, in writing, at the addresses specified in Appendix 1 hereto (including by email transmission). The Receiver has no obligation to furnish any information relating to the Property to any person other than to Participating Bidders. Further, and for the avoidance of doubt, selected due diligence materials may be withheld from certain Participating Bidders if the Receiver determines such information to represent proprietary or sensitive competitive information.
- 4.7 Any Participating Bidder (other than the Stalking Horse Bidder) that wishes to make a formal offer to acquire all or substantially all of the Alaska Property or Texas Property (a **Binding Offer**) shall provide its Binding Offer in the form of the applicable template APA provided in the VDR, along with a marked version showing edits to the original template APA.
- 4.8 A Binding Offer will be considered a "**Qualified Bid**", and the Participating Bidder making such Binding Offer a "**Qualified Bidder**", if it:

- (a) in the case of the Alaska Property:
  - (i) provides net cash proceeds on closing that are not less than the aggregate total of: (a) the amount of cash payable under the Stalking Horse Agreement; and (b) \$100,000 (comprised of the "Break Fee", as defined in the Stalking Horse Agreement, and an additional overbid increment; and
- (b) in the case of the Alaska Property and the Texas Property, it:
  - (i) is submitted on or before the Binding Offer Deadline;
  - (ii) is made by way of a binding, definitive transaction document, consistently with Paragraph 4.7 herein, that is executed by the Participating Bidder;
  - (iii) is not subject to any financing condition, diligence condition or internal or board approval;
  - (iv) contains or identifies the key terms and provisions to be included in any Approval Order;
  - (v) includes acknowledgments and representations of the Participating Bidder that it: (i) has had an opportunity to conduct any and all due diligence regarding the Property prior to making its Binding Offer; (ii) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Property in making its Binding Offer; and (iii) has not relied upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Property, or the completeness of any information provided in connection therewith;
  - (vi) is accompanied by a letter that confirms that the Binding Offer: (i) may be accepted by the Receiver by countersigning the Binding Offer, and (ii) is irrevocable and capable of acceptance until the earlier of (A) two business days after the date of closing of the applicable Successful Bid (defined below); and (B) the Outside Date (defined below);
  - (vii) provides for any anticipated corporate, licensing, securityholder, legal or other regulatory approvals required to close the transaction;
  - (viii) does not provide for any break or termination fee, expense reimbursement or similar type of payment;
  - (ix) includes the specific purchase price in US dollars and a description of any non-cash consideration; and a description of the Property that is expected to be subject to the transaction and any of the Property expected to be excluded;
  - (x) is accompanied by a deposit in the amount of not less than 10% of the cash purchase price (the **Deposit**);
  - (xi) is accompanied by an acknowledgement that (i) if the Participating Bidder making such Binding Bid is selected as a Successful Bidder, that the Deposit will be held and dealt with as described in Section 7 below;
  - (xii) contemplates and reasonably demonstrates a capacity to consummate a closing of the transaction as soon as possible after the Approval Order and Recognition

Order are granted, and in any event no later than March 31, 2026 (the **Outside Date**); and

- (xiii) includes such other information as reasonably requested or identified in writing by the Receiver, prior to the Binding Bid Deadline as being necessary or required by the Receiver.
- 4.9 Without limiting Paragraph 1.7, the Receiver, in its reasonable judgment, may waive strict compliance with any one or more of the requirements specified above and designate a noncompliant Binding Offer as a Qualified Bid.

## 5 Selection of Successful Bidder

- 5.1 The Receiver may, following the receipt of any Binding Offer that is not a Qualified Bid, seek clarification with respect to any of the terms or conditions of such Binding Offer and/or request and negotiate one or more amendments to such Binding Offer prior to determining if the Binding Offer should be considered a Qualified Bid.
- 5.2 The Receiver will review and evaluate each Qualified Bid, in consultation with the Secured Creditor, taking into account the factors set out in Paragraph 4.8, including factors affecting the speed and certainty of closing, the value and nature of the consideration provided for in the Binding Offer (including any assumed liabilities), and any licensing, regulatory or legal approvals required to close the transactions. The cash consideration provided for in any Qualified Bid shall not be the only criteria on which Qualified Bids are evaluated, and the "highest and best" Qualifying Bid may not be the Qualifying Bid with the highest cash purchase price.
- 5.3 In the case of the Alaska Property:
  - (a) In the event that no Qualified Bid is received other than the Stalking Horse Bid, or any Qualified Bids received are determined by the Receiver to be inferior to the Stalking Horse Bid based on the considerations set out in Paragraph 5.2, then the Stalking Horse Bid shall be deemed the Successful Bid (as defined below), and the Receiver will promptly seek Court approval of the Stalking Horse Agreement and the transactions contemplated therein.
  - (b) In the event there is at least one Qualified Bid in addition to the Stalking Horse Bid received and such Qualified Bid is not determined by the Receiver to be inferior to the Stalking Horse Bid based on the considerations set out in Paragraph 5.2, then a Successful Bid will be identified through an auction (the **Auction**) in accordance with the procedure set out below.
- 5.4 In the case of the Texas Property, where multiple Qualified Bids are received and the Receiver determines, in its discretion and in consultation with the Secured Creditor, that an Auction would be beneficial to the Sale Process, then a Successful Bid will be identified through an Auction in accordance with the procedure set out below.
- 5.5 In the event that an Auction is required in accordance with the terms of these Bidding Procedures, it will be conducted in accordance with the procedures set forth in this paragraph:
  - (a) The Receiver shall be entitled to designate some or all Qualified Bidders (in addition to the Stalking Horse Bidder) as eligible to participate in the Auction, taking into account the relative terms of the Qualified Bids (including but not limited to purchase price) and the factors set out in Paragraph 5.2. Qualified Bidders who are invited to participate in the Auction are referred to as "**Auction Bidders**". For the avoidance of doubt, the Stalking Horse Bidder shall be an Auction Bidder.

- (b) Where the Receiver determines that an Auction shall be held for both the Alaska Property and the Texas Property, the Receiver may elect to hold a separate Auction for each Property. Where two Auctions are to be held, reference in the paragraphs that follow to "Auction" shall refer to either Auction generally, or both Auctions collectively, as applicable and as the context requires.
- (c) The Auction will commence at a time to be designated by the Receiver, on December 15, 2025, and may, in the discretion of the Receiver, be held virtually via videoconference, teleconference or such other reasonable means as the Receiver deems appropriate. The Receiver will consult with the parties permitted to attend the Auction to arrange for the Auction to be so held. Subject to the terms hereof, the Receiver may postpone the Auction.
- (d) Except as otherwise permitted in the Receiver's discretion, only the Receiver, the Auction Bidders, and the Secured Creditor, and, in each case, their respective professionals and representatives, will be permitted to attend the Auction.
- (e) Each Auction Bidder shall designate a single individual to be its representative and spokesperson for the purposes of the Auction, and shall participate in the Auction through such duly authorized representative.
- (f) Except as otherwise set forth herein, the Receiver may waive and/or employ and announce at the Auction additional rules that are reasonable under the circumstances for conducting the Auction, provided that such rules are:
  - (i) not inconsistent with the Receivership Order, the Sale Process Order, the Bidding Procedures, the *Bankruptcy and Insolvency Act*, or any order of the Court issued in connection with the Receivership Proceedings;
  - (ii) disclosed to each Auction Bidder; and
  - (iii) designed, by the Receiver, in its reasonable judgment, to result in the highest and otherwise best offer.
- (g) Each Auction Bidder participating in the Auction must confirm on the record, at the commencement of the Auction and again at the conclusion of the Auction, that it has not engaged in any collusion with the Debtors or any other person regarding the Sale Process. For greater certainty, communications between the Stalking Horse Bidder and the Receiver with respect to and in preparation of the Stalking Horse Agreement, the Sale Process and the Bidding Procedures will not represent collusion nor communications prohibited by this paragraph.
- (h) Prior to the Auction, the Receiver will identify the highest and best of the Qualifying Bid(s) received, and such Qualifying Bid(s) will constitute the opening bid for the purposes of the Auction (the **Opening Bid**). Subsequent bidding will continue in minimum increments valued at not less than \$100,000 cash in excess of the Opening Bid. Each Auction Bidder will provide evidence of its financial wherewithal and ability to consummate the transaction at the increased purchase price, if required by the Receiver.
  - (i) All Auction Bidders will have the right, at any time, to request that the Receiver announce, subject to any potential new bids, the then-current highest and best bid and, to the extent requested by any Auction Bidder, use reasonable efforts to clarify any and all questions such Auction Bidder may have regarding the Receiver's announcement of the then-current highest and best bid.

- (j) Each Auction Bidder will be given a reasonable opportunity to submit an overbid at the Auction to any then-existing overbids. The Auction will continue until the bidding has concluded and there is one remaining Auction Bidder. The Receiver shall determine which Auction Bidders have submitted the highest and best Binding Offer of the Auction (the **Successful Bid**, and the bidder making such Successful Bid, the **Successful Bidder**).
- (k) Upon selection of a Successful Bidder, if any, the Successful Bidder shall deliver to the Receiver an amended and executed transaction document that reflects their final bid and any other modifications submitted and agreed to during the Auction, on or before December 19, 2025.
- (l) Any bids submitted after the conclusion of the Auction will not be considered.
- (m) The Receiver shall be at liberty to modify or to set additional procedural rules for the Auction as it sees fit, including to conduct the Auction by way of written submissions.
- (n) A Successful Bid will be selected by no later than December 16, 2025 (or such later date immediately thereafter if the Auction is conducted and not completed in one day), and the completion and execution of definitive documentation in respect of such Successful Bid, as applicable, must be finalized and executed as soon as possible after the close of the Auction, and in any event, no later than December 19, 2025, which definitive documentation will provide that the Successful Bidder will use all reasonable efforts to close the proposed transaction by no later than the Outside Date, subject to the terms hereof.

## 6 Court Approval and Recognition

- 6.1 The Receiver will apply to the Court (the **Approval Application**) for one or more orders: (i) approving the Successful Bid(s) and authorizing the taking of such steps and actions and completing such transactions as are set out therein or required thereby; and (ii) granting a vesting (collectively, the **Approval Order(s)**). The Approval Application will be held on a date to be scheduled by the Receiver and confirmed by the Court in accordance with these Bidding Procedures. With the consent of the applicable Successful Bidder(s), the Approval Application may be adjourned or rescheduled by the Receiver without further notice, by an announcement of the adjourned date at the Approval Application or in a notice to the service list maintained in the Receivership Proceedings prior to the Approval Application. The Receiver will consult with the Successful Bidder regarding the motion material to be filed for the Approval Application.
- 6.2 All Binding Offers (other than the Successful Bid(s)) will be deemed rejected on and as of the date of the closing of the applicable Successful Bid(s), with no further or continuing obligation of the Receiver to any unsuccessful Binding Offer Bidders.
- 6.3 As soon as practicable after the Approval Order/s is granted, the Receiver, as foreign representative, shall obtain from the US Court an order recognizing the Approval Order/s in the United States (**Recognition Order**) in accordance with these Bidding Procedures.

## 7 Deposits

- 7.1 The Deposit(s):
  - (a) will, upon receipt from the Binding Offer Bidder(s), be retained by the Receiver and deposited in a non-interest-bearing trust account, and subsequently dealt with in accordance with subsections (b) and (c), below;
  - (b) received from the Successful Bidder(s), if any, will:

- (i) be applied to the purchase price to be paid by the applicable Successful Bidder whose Successful Bid is the subject of the Approval Order(s), upon closing of the approved transaction; and
- (ii) otherwise be held and refunded in accordance with the terms of the definitive documentation in respect of the applicable Successful Bid provided that all such documentation will provide that the Deposit will be retained by the Receiver and forfeited by the Successful Bidder, if its Successful Bid fails to close by the Outside Date and such failure is attributable to any failure or omission of the Successful Bidder to fulfil its obligations under the terms of its Successful Bid; and

- (c) received from a Binding Offer Bidder that is not a Successful Bidder will be fully refunded to the Binding Offer Bidder that paid the Deposit as soon as practical following the selection of the Successful Bidder.
- (d) Notwithstanding anything to the contrary herein, the Stalking Horse Bidder will not be required to provide a Deposit.

## **8 "As is Where is"**

- 8.1 Any sale (or sales) of the Property or portions thereof will be on an "as is, where is" basis except for representations and warranties that are customarily provided in purchase agreements for a company subject to receivership proceedings. Any such representations and warranties provided for in the definitive documents will not survive closing.

## **9 Vesting Free and Clear**

- 9.1 In the event of a sale, to the extent permitted by law, all of the rights, title and interests of the Debtors in and to the Property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests thereon and there against (collectively, the **Claims and Interests**), such Claims and Interests to attach to the net proceeds of the sale of such Property (without prejudice to any claims or causes of action regarding the priority, validity or enforceability thereof), except to the extent otherwise set forth in the relevant transaction documents with a Successful Bidder or the Approval Order.

## **10 Confidentiality and Access to Information**

- 10.1 For greater certainty, other than as required in connection with any Auction or Approval Application, the Receiver will not disclose: (a) the identity of any Potential Bidder or Qualified Bidder (other than the Stalking Horse Bidder); or (b) the terms of any bid or Binding Offer (other than the Stalking Horse Agreement), to any other bidder or any of its affiliates. Potential Bidders, Participating Bidders, Qualified Bidders and Auction Bidders (including, in each case, the Stalking Horse Bidder) and each of their respective affiliates shall not communicate with, or contact, directly or indirectly, any other Potential Bidder, Participating Bidder, Qualified Bidder, Auction Bidder, or their respective affiliates, or any secured creditors of the Debtors, without the express written consent of the Receiver (which consent may be refused in the Receiver's sole discretion), and such communications or discussions shall take place under the supervision of the Receiver. Nothing in this Paragraph 10.1 shall prohibit the Receiver from filing details of Potential Bidders, Participating Bidders, Qualified Bidders and Auction Bidders, or their respective Binding Offers and Qualified Bids, as part of a Receiver's Report in connection with the Approval Application, provided that the Receiver shall file any commercially sensitive or confidential information confidentially, with a request for a restricted court access order. Should the Court decline to grant a restricted court access order, the Receiver shall not be in breach of this Paragraph 10.1.

**11      Further Orders**

11.1 At any time during the Sale Process, the Receiver may apply to the Court for advice and directions with respect to any aspect of this Sale Process including, but not limited to, the continuation of the Sale Process or with respect to the discharge of its powers and duties hereunder.

**12      Additional Terms**

12.1 In addition to any other requirement of the Sale Process, any consent, approval or confirmation to be provided by the Stalking Horse Bidder or the Receiver is ineffective unless provided in writing and any approval required pursuant to the terms hereof is in addition to, and not in substitution for, any other approvals required by the *Bankruptcy and Insolvency Act* or as otherwise required at law in order to implement a Successful Bid. For the avoidance of doubt, a consent, approval or confirmation provided by email will be deemed to have been provided in writing for the purposes of this paragraph.

12.2 This Sale Process does not, and will not be interpreted to create any contractual or legal relationship between the Receiver and any other party, other than as specifically set forth in the NDA or any other definitive agreement executed.

12.3 Notwithstanding anything to the contrary herein, the Receiver shall have no liability whatsoever to any person or entity, including without limitation any Potential Bidder, Participating Bidder, Binding Offer Bidder, Qualified Bidder, Auction Bidder, Successful Bidder, or any other creditor or stakeholder, or the Debtors, as a result of implementation or otherwise in connection with this Sale Process, except to the extent that any such liabilities result from the gross negligence or wilful misconduct of the Receiver, as determined by the Court, and all such persons or entities shall have no claim against the Receiver in respect of the Sale Process for any reason whatsoever.

12.4 Participants in the Sale Process are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any Binding Offer, due diligence activities, and any other negotiations or other actions whether or not they lead to the consummation of a transaction.

**Appendix 1:**  
**Address for Notice**

**Receiver**

FTI Consulting Canada Inc., in its capacity as Receiver of Local First Media Group Inc., Local First Properties Inc., BTC USA Holdings Management Inc., Local First Properties USA Inc., Alaska Broadcast Communications, Inc., Frontier Media LLC and Broadcast 2 Podcast, Inc.

520 5th Ave SW, Suite 1610

Calgary AB T2P 3R7

T: 403.454.6036

E: [lindsay.shierman@fticonsulting.com](mailto:lindsay.shierman@fticonsulting.com)

Attn: Lindsay Shierman, Managing Director

## **Appendix “B”**

### **Stalking Horse APA**

## **ASSET PURCHASE AGREEMENT**

This Asset Purchase Agreement (the “**Agreement**”) is dated October 16, 2025 is by and between Alaska First Media Inc., an Alaska corporation (“**Buyer**”) and FTI Consulting Canada Inc., a Canadian corporation (“**FTI**”), solely in its capacity as court-appointed receiver for BTC USA Holdings Management, Inc., a Delaware corporation (“**BTC**”), Frontier Media LLC, an Alaska limited liability company (“**Frontier**”), and Alaska Broadcast Communications Inc., an Alaska corporation (“**ABC**”) (BTC, Frontier, and ABC, collectively, “**Sellers**”) and not in FTI’s personal or corporate capacity.

### **BACKGROUND**

- A. BTC, Frontier, and ABC hold certain assets and licenses issued by the Federal Communications Commission (“**FCC**”) used in the operation of certain radio broadcast stations located in Alaska (collectively, the “**Alaska Stations**”) identified on Schedule 1.1 attached hereto.
- B. BTC, Frontier, and ABC are Guarantors to certain loan documents with ATB Financial, a financial institution in Alberta, Canada (“**ATB**”).
- C. On February 10, 2025 (the “**Receivership Date**”), ATB filed an *Application for Receivership and a Bench Brief Of the Applicant In Support Of the Receivership Application* (the “**Receivership Application**”) with the Court of King’s Bench Of Alberta, Calgary Judicial Centre (the “**Canadian Court**”), where it was assigned Court File no. 2501-01744 (the “**Canadian Proceeding**”) seeking a receivership order under Canadian law over BTC, Frontier, and ABC.
- D. On February 26, 2025, the Hon. Justice M.J. Lema filed a receivership order (the “**Receivership Order**”) in the Canadian Proceeding. The Receivership Order appointed FTI as a receiver over BTC, Frontier, and ABC.
- E. On May 13, 2025, FTI filed petitions to commence cases under Chapter 15 of Title 11 of the United States Code (the “**Bankruptcy Code**”) with respect to BTC, Frontier, and ABC and seek entry of an order (“**US Recognition Order**”) from the United States Bankruptcy Court (“**US Bankruptcy Court**”) for the Eastern District of Texas under File Nos. 25-50050, 25-50052, and 25-50053 (the “**US Proceeding**”) that (1) recognizes the Receiver as a “foreign representative” as defined in the Bankruptcy Code, (2) recognizes the Canadian Proceeding as a “foreign main proceeding” or “foreign nonmain proceeding,” and (3) grants comity to the Receivership Order.
- F. On or about June 30, 2025, Buyer’s principal, Cliff Dumas (“**Dumas**”), entered into a Letter of Intent with FTI for the purchase and sale of the Alaska Stations, including the Alaska FCC Licenses (defined below).
- F. On July 8, 2025 (the “**Recognition Date**”), Hon. Brenda Rhoades issued the US Recognition Order.

G. Buyer and Sellers intend to effectuate the transactions contemplated by this Agreement through a sale of the Alaska Assets (defined below) free and clear of all liens, claims and encumbrances (other than the Assumed Liabilities and Alaska Employment-Related Liabilities set forth in Section 3) pursuant to sections 105, 363, and 365 of the Bankruptcy Code.

H. Buyer and Sellers want to enter into this Agreement to sell all right, title, and ownership of the Alaska Assets, subject to the prior consent of the Canadian Court, the US Bankruptcy Court and the FCC.

**NOW THEREFORE**, in consideration of the mutual covenants agreed herein, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Sale and Transfer of Alaska Assets.** Subject to the approval of (i) the Canadian Court, the US Bankruptcy Court and the FCC and (ii) the terms and conditions set forth below and in reliance upon the closing (“**Closing**”), Sellers will sell, assign, transfer and deliver to Buyer and Buyer shall purchase from Sellers the following assets free and clear of all liens, pledges, mortgages, security interests, debts, claims, and encumbrances of any kind or nature (other than the Assumed Liabilities and Alaska Employment-Related Liabilities set forth in Section 3) (the “**Alaska Assets**”):

1.1. **Licenses.** All licenses, construction permits, and authorizations issued by the FCC for the operation of the Alaska Stations, together with all auxiliary licenses for studio transmitter links and remote pick-ups used or useful in the operation of the Alaska Stations (“**Alaska FCC Licenses**”), along with any other municipal, state and federal licenses or franchises which are transferable or assignable, which are used or useful exclusively in the operation of or in connection with the operation of the Alaska Stations, as listed on Schedule 1.1 attached hereto.

1.2. **Real Property.** The real property used or held for use in the operation of the Alaska Stations (including any appurtenant easements and improvements located thereon), as listed on Schedule 1.2 attached hereto (the “**Alaska Real Property**”).

1.3. **Tangible Personal Property.** All equipment, electrical devices, antennas, cables, transmitters, transmission lines, studio building, towers, hardware, tools, spare parts, computers, telephones, servers, and other tangible personal property of every kind and description owned by Sellers and used or useful in the operation of the Alaska Stations, except for the Excluded Assets (as defined below), together with any replacements thereof and additions made thereto between the date of signing this Agreement and the Closing Date (the “**Personal Property**”).

1.4. **Records.** All files, records, books of account, data, software, logs relating to the Alaska Stations, including, without limitation, the Alaska Stations’ public inspection files, filings with the FCC related to the Station, invoices, statements, technical information and engineering data relating to the Alaska Stations’ facilities, and copies of all written contracts to be assigned hereunder, if any.

**1.5. Call Letters.** All right, title, and interest of the Sellers in and to the use of the call letters of the Alaska Stations and associated programs and logos (the “**Call Letters**”).

**1.6. Assumed Contracts.** Sellers shall assume and assign to Buyer, at Closing, those contracts which Buyer has expressly agreed to assume, if any (“**Assumed Contracts**”), which are set forth on Schedule 1.6 attached hereto. Buyer will not assume any contract not listed on Schedule 1.6. Buyer shall pay any cure amounts required to have the Assumed Contracts assumed and assigned to Buyer.

**1.7. Accounts Receivable.** Sellers shall assign to Buyer, at Closing, all right, title, and interest in Seller’s accounts receivable outstanding for 30 days or less generated with respect to the operation of the Alaska Stations (the “**Acquired Receivables**”).

**1.8. Intellectual Property.** Seller’s rights in and to the Alaska Stations’ trademarks, trade names, service marks, copyrights, transferable software licenses, domain names, websites, social media accounts and profiles, and other intangible rights, owned or licensed and used or held for use by Sellers exclusively or primarily in the operation of the Alaska Stations, and all goodwill associated with the foregoing, including those identified in Schedule 1.8 (the “**Intellectual Property**”).

**1.9. Excluded Assets.** The Alaska Assets to be transferred hereunder shall not include any and all property not specifically included within the definition of Alaska Assets, including but not limited to any items detailed on Schedule 1.9 and any all liabilities with respect thereto, all of which shall remain the property of the Sellers.

## 2. Purchase Price.

**2.1. Purchase Price.** Subject to the approval of the Canadian Court and the US Bankruptcy Court, the purchase price of the Alaska Assets shall be \$1,280,797.59 (“**Purchase Price**”), which is comprised of (i) \$380,797.59 for the Alaska Stations and the Alaska Assets; and (ii) \$900,000.00 for the Alaska Real Property. Upon signing this Agreement, Buyer shall pay to FTI a non-refundable good faith deposit in the amount of \$15,000.00 (the “**Deposit**”).

As used herein, a “**Bidding Procedures Order**” means an order of the Canadian Court approving, among other things, (i) a comprehensive marketing and sale process to be conducted through the Canadian Proceeding of all or substantially all of the Sellers’ assets, including the Alaska Assets, (ii) sale solicitation procedures to solicit interest in, and opportunities for, a sale of all, or substantially all, of the Sellers’ assets, including the Alaska Assets, and (iii) this Agreement and the Bid Protections set forth in this Agreement.

**2.2. Allocation of Purchase Price.** Buyer and Sellers shall mutually agree on the allocation of the Purchase Price (and any other amounts properly taken into account in the amount realized by Sellers or the cost-basis of Buyer) among the Alaska Assets in accordance with Section 1060 of the Internal Revenue Code of 1986, as amended (the “**Tax Code**”), and the Treasury regulations promulgated thereunder (the “**Purchase Price Allocation Schedule**”) with such allocations to be

agreed upon prior to the Closing Date. Buyer and Sellers shall report, act, and file tax returns in all respect and for all purposes consistent with the Purchase Price Allocation Schedule. Neither Buyer nor Sellers shall take any position that is inconsistent with the Purchase Price Allocation Schedule unless required to do so by GAAP or by a final determination of a governmental authority of competent jurisdiction.

**2.3. Breakup Fee.** In addition to any other terms and conditions provided for in the Sale Order (as defined below), if (a) one or more Sellers do not sell the Alaska Assets to Buyer, (b) one or more Sellers receives from a third party a Competing Bid (as defined in Section 7.5) to purchase the Alaska Assets, (c) such transaction is consummated despite the Buyer's readiness, willingness, and ability to consummate the transaction contemplated by this Agreement, and (d) this Agreement is terminated in accordance with the provisions of Section 4.4, then Sellers shall pay to the Buyer a breakup fee in an amount of 1.5% of the purchase price of the Competing Bid (the "**Breakup Fee**") as liquidated damages.

As used herein, a "**Sale Order**" means an order of the US Bankruptcy Court approving the transactions contemplated by this Agreement, which shall be reasonably acceptable in form and substance to Buyer and the Sellers, which, among other things, (i) approves the transactions and the terms and conditions of this Agreement; (ii) find that notice of the hearing concerning approval of this Agreement and of the transactions contemplated by this Agreement was given in accordance with applicable provisions of the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure, and constitutes such notice as is appropriate under the particular circumstances, (iii) finds that the Buyer is a "good faith" purchaser entitled to the protections afforded by Section 363(m) of the Bankruptcy Code, (iv) provides that the transactions contemplated by this Agreement are not subject to avoidance pursuant to Section 363(n) of the Bankruptcy Code, (v) provides for the vesting of the Alaska Assets in the Buyer, free and clear of all liens, claims, and encumbrances (other than the Assumed Liabilities and Alaska Employment-Related Liabilities set forth in Section 3), and (vi) assumes and assigns to Buyer, at Closing, the Assumed Contracts pursuant to Section 365 of the Bankruptcy Code.

**2.4. Sellers' Acknowledgement of Breakup Fee as Allowable Administrative Expense.** Sellers acknowledge that the inclusion of this Section in the Agreement is a condition precedent to Buyer's signing of this Agreement and is necessary to ensure that the Buyer will continue to pursue the proposed acquisition of the Alaska Assets. Sellers acknowledge that the Breakup Fee, if payable hereunder, (a) constitute actual and necessary costs and expenses of preserving the Sellers' estate, within the meaning of section 503(b) of the Bankruptcy Code, (b) are of substantial benefit to the Sellers' estate by, among other things, establishing a bid standard or minimum for other potential purchases of the Alaska Assets and placing estate property in a sales configuration mode attracting other potential purchases, (c) are reasonable and appropriate, and (d) were negotiated by the parties at arm's length and in good faith. The parties agree that Buyer's losses would be difficult to quantify and that the Breakup Fee is a reasonable measure and best estimate of the Buyer's damages resulting therefrom.

**2.5. Buyer's Acknowledgments Regarding Breakup Fee.** The Buyer acknowledges and agrees that as a condition to the effectiveness of this Agreement, Buyer shall deliver to Seller, on

or before October 22, 2025, reasonably satisfactory written evidence of the Buyer's ability to consummate the transactions contemplated hereby, including without limitation, proof of available and sufficient funds (in the form of bank statements, commitment letters from lenders, or other documentation reasonably acceptable to Seller) ("Proof of Funds"). Failure to timely provide such proof shall constitute a material breach of this Agreement. Notwithstanding anything to the contrary contained in this Agreement, in the event that Buyer fails to provide the required Proof of Funds in accordance with this Section 2.5 within the required timeframe, Buyer shall forfeit any right to receive the Breakup Fee, or any other termination-related compensation that might otherwise be payable to Buyer under this Agreement. Seller's obligations with respect to such payments shall be deemed null and void.

**2.6. Tax Withholding.** The Buyer and any other applicable withholding agent shall be entitled to deduct and withhold from the Purchase Price any taxes or other amounts required under the Tax Code to be deducted and withheld. Any amounts that are so deducted or withheld shall be treated as having been paid to the party in respect of which such deduction and withholding was made.

### 3. Assumed and Retained Liabilities.

**3.1. Assumed Liabilities.** Buyer shall assume and become responsible for all liabilities and obligations of Seller arising out of or relating to Seller's ownership of the Alaska Assets or operation of the Alaska Stations on or after the Recognition Date, other than (a) any performance obligation arising out of, related to, in the nature of, or caused by (I) any default, failure to perform, breach of contract, or breach of warranty by Seller(s) occurring or arising prior to the Closing Date or (II) liabilities arising a result of Seller(s) consummation of the transactions contemplated by this Agreement, and (b) any liability, claim or obligation under the Assumed Contracts, which shall be governed by the last sentence of this Section 3.1 (the "Assumed Liabilities"). The Assumed Liabilities include, without limitation, (i) any liability, claim or obligation, contingent or otherwise, of or against Buyer arising out of the business or operation of the Alaska Stations or the Alaska Assets accruing on or after the Recognition Date; (ii) any liability or obligation for any federal, state, or local income or other taxes and federal, state or local taxes attributable to the Alaska Stations operations or Alaska Assets accruing on or after the Recognition Date; (iii) any liability or obligation with respect to the Alaska Assets accruing on or after the Recognition Date; (iv) any liability or obligation of Sellers arising out of any litigation, proceeding or claim by any person or entity relating to the business or operation of the Alaska Stations accruing on or after the Recognition Date, whether or not such litigation, proceeding, or claim is pending, threatened or asserted prior to, on, or after the Closing Date; and (v) frequency discounts, rebates or allowances to advertisers (or their agencies) which are based on broadcasts after the Recognition Date. Buyer will only be responsible for liabilities, claims or obligations associated with the Assumed Contracts that accrue from and after the Closing Date.

**3.2. Alaska Employment-Related Liabilities.** Buyer shall assume and become responsible for all liabilities and obligations of Seller arising out of or relating to the employment of Seller's employees and contractors in Alaska on or after the Receivership Date (the "Alaska Employment-Related Liabilities"), including, without limitation, all liabilities for wages, salaries, bonuses, vacation pay, severance obligations, employee benefit plan contributions, workers' compensation,

unemployment insurance, payroll taxes, and any claims or causes of action relating to employment or termination of employment (including any termination of employment contemplated by this Agreement).

**3.3. Retained Liabilities.** Save and except for the Alaska Employment-Related Liabilities assumed by Buyer as set forth in Section 3.2, all liabilities and obligations of Seller arising out of or relating to Seller's ownership of the Alaska Assets or operation of the Alaska Stations prior to the Recognition Date shall remain and be the obligations of the Sellers (the "**Retained Liabilities**"). The Retained Liabilities include, but are not limited to, (a) any liability, claim or obligation, contingent or otherwise, of or against Buyer arising out of the business or operation of the Alaska Stations or the Alaska Assets accruing prior to the Recognition Date; (b) any liability or obligation under any contracts not specifically assumed by Buyer under the terms of this Agreement or relating to a breach prior to the Closing Date under any such contracts; (c) any liability or obligation for any federal, state, or local income or other taxes and federal, state or local taxes attributable to the operation of the Alaska Stations or Alaska Assets accruing prior to the Recognition Date; (d) any liability or obligation with respect to the Excluded Assets; (e) any liability or obligation of Seller arising out of or relating to the employment of Seller's employees and contractors accruing prior to the Receivership Date; (f) any liability or obligation of Sellers arising out of any litigation, proceeding or claim by any person or entity relating to the business or operation of the Alaska Stations accruing prior to the Recognition Date, whether or not such litigation, proceeding, or claim is pending, threatened or asserted prior to, on, or after the Closing Date; and (h) frequency discounts, rebates or allowances to advertisers (or their agencies) which are based on broadcasts prior to the Recognition Date.

#### 4. **Closing; Termination.**

**4.1. Closing.** The closing of the transactions contemplated under this Agreement (the "**Closing**") shall occur virtually no later than the third (3<sup>rd</sup>) business day following the day on which (a) all of the conditions to each party's obligations hereunder have been satisfied or waived, including that the FCC Consent has been granted and become a Final Order, unless the parties each waive the Final Order provision, and (b) the Sale Order Effective Date has occurred, or at such other date as the parties may agree (the "**Closing Date**"). As used herein, "**Sale Order Effective Date**" means the first day on which the Sale Order has been entered and is not subject to any stay of effectiveness, whether such stay is prescribed by Bankruptcy Rule 6004(h), Bankruptcy Rule 6006(d), or any court order.

**4.2. Closing Transactions.** Subject to the terms and conditions set forth in this Agreement, following the signing of this Agreement and simultaneously with the Closing:

(a) To effect the sale and transfer, Sellers shall execute and deliver or cause to be executed and delivered to Buyer:

(i) a Bill of Sale, in the form of **Exhibit A** attached hereto, conveying all of each Seller's right, title, and interest in and to the Alaska Assets;

(ii) an Assignment of Assumed Contracts, in the form of **Exhibit B** attached hereto, to the extent necessary to assign the Assumed Contracts included in the Alaska Assets;

(iii) an intellectual property assignment agreement, in the form of **Exhibit C** attached hereto, conveying Sellers' right, title, and interest in and to the Intellectual Property together with such further assignment or instruments as may be reasonably be required by the Buyer in connection therewith.

(iv) a Quit-Claim Deed for each parcel of Alaska Real Property, in the form of **Exhibit D** attached hereto.

(v) an assignment of Alaska FCC Licenses.

(b) Sellers shall have terminated, conditionally upon the Closing (with a termination date as of the Closing), all of the employees and contractors that previously worked for the Alaska Stations. The Buyer shall have the right, but not the obligation, to hire any or all of the employees or contractors that previously performed work for the Alaska Stations. For the avoidance of doubt, Sellers shall not terminate any employee prior to Closing except for cause in the ordinary course of its business.

(c) The Buyer shall deliver by wire transfer of immediately available good funds the portion of the Purchase Price payable to the Sellers on the Closing Date to the bank account(s) specified in writing by the Sellers.

**4.3. Form of Instruments.** To the extent that a form of any document to be delivered hereunder is not attached as an exhibit hereto, such document(s) shall be in form and substance, and shall be signed and delivered in a manner, reasonably satisfactory to the Buyer and the Sellers.

**4.4. Termination of this Agreement.** Subject to the liquidated damages provisions set forth in Section 2.4, this Agreement may be terminated at any time prior to the Closing upon any one or more of the following:

(a) by the mutual written agreement of the parties;

(b) by any party upon written notice from the terminating party to the non-terminating party(ies) if any law or order becomes final and effective that prohibits or makes illegal the consummation of the transactions contemplated by this Agreement;

(c) by the Buyer upon written notice from the Buyer to the Sellers if (i) the Seller(s) shall have breached or failed to perform in any material respect any of its or their representations, warranties, covenants, or other agreements contained in this Agreement (a "**Breach**"), or (ii) all of the conditions to the obligations of the Buyer have been satisfied or waived and the Seller or Sellers nevertheless refuse or fail to consummate the transactions contemplated in this Agreement.

**5. Sellers' Representations and Warranties.**

**5.1. Representations and Warranties of Sellers.** *The Sale of the Alaska Assets is made “As Is, Where Is, and With All Faults” and, except for the express warranties set forth in this Agreement, Sellers make no representations or warranties of any kind, express or implied, at law or in equity, including, without limitation, any warranties of merchantability, fitness for a particular purpose, non-infringement, title, condition, suitability, or any other warranty arising by statute, usage of trade, course of dealing, or otherwise. Buyer acknowledges that it has had full opportunity to inspect the Alaska Assets, is relying solely on its own investigation and judgment, and has not relied on any representation or warranty by Sellers or their agents, except as expressly set forth herein. Sellers disclaim any obligation or liability for any oral or written information made available to Buyer in connection with the transaction that is not expressly set forth in this Agreement.*

**5.2. Authority.** Each Seller has full legal right, power, and authority to enter into this Agreement and to perform its obligations hereunder, subject to authorization from the Canadian Court and the entry of the Sale Order by the US Bankruptcy Court. This Agreement and the documents contemplated hereby have been duly signed and delivered by each Seller and, subject to authorization from the Canadian Court and the entry of the Sale Order by the US Bankruptcy Court, are a valid and binding agreement of each Seller, enforceable in accordance with its terms.

**6. Buyer’s Representations and Warranties.** The Buyer hereby represents and warrants to the Sellers as follows, which representations and warranties are true and correct as of the date hereof:

**6.1. Buyer’s Qualifications.** Buyer knows of no fact or circumstance which would, under the Communications Act of 1934, as amended, or the rules, regulations, and policies of the FCC, disqualify or preclude Buyer from being approved as an assignee of the Alaska FCC Licenses. If Buyer becomes aware of any such fact or circumstance, it will promptly inform Sellers. Buyer will then use its best efforts to remove any such disqualification or preclusion. Buyer will not take any action that Buyer knows, or has reason to believe, would result in such disqualification. There are no facts which, under the Communications Act of 1934, as amended, or the rules, regulations and policies of the FCC, which to Buyer’s actual knowledge without investigation, would delay the consummation of the transactions contemplated by this Agreement. Buyer has no reason to believe that the FCC Applications contemplated by this Agreement might be challenged by any governmental agency or third party or might not be granted by the FCC in ordinary due course. To Buyer’s knowledge, there are no proceedings, complaints, notices of forfeiture, claims, or investigations pending or threatened against Buyer or any principal, officer, director, or owner of Buyer that would materially impair the qualification of Buyer to assume the Alaska FCC Licenses or which would materially impede Buyer’s ability to prosecute the FCC Application or seek the grant of the FCC Consent.

**6.2. Incorporation of Buyer.** Buyer is duly incorporated, validly existing and in good standing under the laws of Alaska.

**6.3. Authority of Buyer.** Except for FCC approval for the transfer of Alaska FCC Licenses, Buyer has the power and authority to enter into this Agreement and each agreement, document, and instrument to be signed and delivered by the Buyer pursuant to this Agreement and to carry out the transactions contemplated thereunder. The signing, delivery, and performance of this Agreement and all other instruments signed and delivered hereunder have been duly authorized by all necessary corporate action of and no other action on Buyer's part is required in connection therewith. This Agreement and each instrument signed and delivered by Buyer pursuant to this Agreement will constitute a valid and binding obligation of the Buyer enforceable against Buyer in accordance with its terms.

**6.4. Sufficiency of Funds.** As of the Closing Date, Buyer holds funds in available, unencumbered cash in an amount sufficient to pay the Purchase Price upon the Closing. Buyer's obligations under this Agreement are not contingent upon its ability to obtain financing. Immediately following the Closing, Buyer will be solvent and able to pay its debts as they become due.

**6.5. Investigations.** Buyer has (a) made such investigations of the Sellers and the Alaska Stations as Buyer deems appropriate for determining whether to enter into this Agreement, (b) has had access to such financial and other information about Sellers and the Alaska Stations as Buyer has reasonably requested, and (c) has had a reasonable opportunity to ask questions of and receive answers from Sellers' officers concerning the assets, liabilities, business, financial condition, and operation of the Alaska Stations.

## **7. Pre-Closing Covenants.**

**7.1. Further Assurances.** Upon the terms and subject to the conditions contained herein, the parties hereto shall, both prior to and after Closing, (a) use all commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary proper or advisable to consummate and make effective the transactions contemplated by this Agreement, (b) sign any documents of any kind that may be reasonable necessary or advisable to carry out any of the transactions contemplated hereunder, and (c) cooperate with each other in connection with the foregoing.

**7.2. Implementing Agreement.** The parties will use their best efforts in good faith to perform and fulfill all conditions and obligations to be fulfilled or performed by them hereunder, to the end that the transactions contemplated hereby will be fully and timely consummated, including, without limitation, cooperation with requirements related to the FCC process for assigning or transferring the Alaska FCC Licenses from Sellers to Buyer.

**7.3. Consents and Approvals.** The parties will use their reasonable best efforts to obtain all necessary consents and approvals to the performance of their respective obligations under this Agreement and the transactions contemplated hereby. The parties will make all filings, applications, statements and reports to all governmental authorities which are required to be made prior to the Closing Date pursuant to any applicable statute, rule or regulation in connection with this Agreement and the transactions contemplated hereby. Without limiting the generality of the

foregoing, Buyer and Sellers will promptly cooperate to file applications with the FCC (“**FCC Applications**”) requesting consent to the assignment of the Alaska FCC Licenses to Buyer from Sellers and for the consummation of the transaction contemplated by this Agreement (“**FCC Consent**”).

**7.4. FCC Applications.** The assignment of the Alaska FCC Licenses as contemplated by this Agreement is subject to the prior consent and approval of the FCC. Within 14 days of Buyer being approved by the Canadian Court as the successful purchaser for the Alaska Assets, Buyer and Sellers shall file the requisite FCC Form 2100, Schedule 314 Assignment of License Applications with the FCC or other applicable documents. Sellers and Buyer shall thereafter prosecute the FCC Applications with all commercially reasonable diligence and otherwise use commercially reasonable efforts to obtain the FCC Consent as expeditiously as practicable. Each party shall promptly provide the other with a copy of any pleading, order or other document served on it relating to the FCC Applications, and shall furnish all information required by the FCC.

Buyer and Sellers shall each pay their own costs in connection with the preparation of the FCC Applications and in connection with the prosecution of such application. The FCC filings fees shall be paid by Sellers and fifty (50%) of the fees shall be reimbursed by Buyer as a Closing adjustment.

**7.5. Conduct of Station Business.** Except as otherwise contemplated by the terms of this Agreement, as consented to by the Buyer in writing, or to the extent permitted or required by an order of the US Bankruptcy Court, Sellers shall continue to operate the Alaska Stations between the date of this Agreement and the Closing Date in the ordinary course of business consistent with past practice and in all material respects in accordance with FCC rules and regulations and with all other applicable laws, regulations, rules, and orders. Sellers shall maintain the Alaska FCC Licenses in full force and timely file and prosecute any necessary applications for renewal of the Alaska FCC Licenses, timely file all reports required to be filed with the FCC, and timely pay when due all annual regulatory fees with respect to the Alaska FCC Licenses. Without limiting the generality of the foregoing obligations, each Seller shall also:

- (a) Use all reasonable efforts to protect, maintain in good operating condition and repair (excluding normal wear and tear) and preserve its ownership of the Alaska Assets;
- (b) Not enter into, materially modify, or terminate any contracts, except in the ordinary course of business;
- (c) Not sell, assign, transfer, convey, lease, mortgage, pledge, or otherwise dispose of or encumber any of the Alaska Assets, except in the ordinary course of business;
- (d) Use all reasonable efforts to preserve the goodwill of all suppliers, customers, account debtors, and others having business relations with the Alaska Stations, and use commercially reasonable efforts to keep existing insurance policies covering the Alaska Assets in place until Closing;

(e) Give Buyer prompt written notice of any material adverse effect on any Seller or Station.

**7.6. Control.** Buyer shall not control, supervise, or direct the operation of the Alaska Stations prior to Closing. In accordance with the Communications Act and the FCC rules, such operations, including complete control and supervision of all programs, employees, finances, and policies, shall be the sole responsibility of Sellers until the Closing.

**7.7. Sale Order.** Sellers shall file a motion with the US Bankruptcy Court seeking a hearing before the US Bankruptcy Court to approve this Agreement and seeking the entry of the Sale Order. Sellers shall thereafter use good faith and commercially reasonable efforts to obtain the US Bankruptcy Court's entry of the Sale Order approving the consummation of the transaction contemplated hereunder. Sellers and Buyer acknowledge that (i) this Agreement and the sale of the Alaska Assets are subject to approval of the Canadian Court and the US Bankruptcy Court; (ii) to obtain such approval, Sellers have filed a motion whereby Sellers seek entry of the Bidding Procedures Order; (iii) the Sellers must demonstrate that they have taken reasonable steps to obtain the highest and otherwise best offer possible for the Alaska Assets; and (iv) such demonstration must include giving notice of the transactions contemplated by this Agreement to creditors and other interested parties.

**7.8. Bid Protections.** Any Bidding Procedure Motion filed with the Canadian Court or the US Bankruptcy Court will be subject to the following Bid Protections: (a) any initial overbid (each, a "**Competing Transaction**") (i) must exceed the Purchase Price by at least \$25,000 (the "**Minimum Overbid Increment**") and (ii) must provide for payment in full of the Breakup Fee of Buyer upon Closing of the Competing Transaction; (b) subsequent bids must be in increments of at least \$25,000; (c) Buyer shall have the right, but not the obligation, to exceed any higher or better bid as set forth in a Competing Transaction. Sellers shall promptly provide Buyer with written notice of the terms and conditions of any Competing Transaction, including the identity of the competing bidder, the proposed purchase price, and other material terms.

**8. Conditions to Parties' Obligations.** The obligations of the parties to consummate the transactions contemplated hereby are subject, in the reasonable discretion of Buyer or Sellers, as the case may be, to the satisfaction, on or prior to the Closing Date, of each of the following conditions, any of which may be waived in writing by the party granting the waiver:

**8.1. Representations, Warranties, and Covenants.** All representations and warranties of Buyer or Sellers, as the case may be, contained in this Agreement shall be true and correct in all material respects as of the Closing Date and all obligations have been performed as contemplated hereunder.

**8.2. No Action or Court Orders.** No action by any governmental authority or other person shall have been instituted or threatened that questions the validity or legality of the transactions contemplated hereby and that could reasonably be expected to materially damage Buyer or Sellers, as the case may be, if the transactions contemplated hereunder are consummated. There shall not

be any laws or court order that makes the purchase and sale of the Alaska Assets contemplated hereby illegal or otherwise prohibited.

**8.3. Sale Order; Authorizations.** The Sale Order shall have been entered by the US Bankruptcy Court and shall not be subject to a stay pending appeal. Except for approval for the transfer of Alaska FCC Licenses, no other authorization, license, or approval required under applicable law for the parties to consummate the transactions contemplated by this Agreement.

**8.4. Material Adverse Effect.** No material adverse effect has occurred and is continuing on Buyer or the Sellers.

**8.5. FCC Consent.** The FCC Consent has been issued by FCC staff grant and become a Final Order, unless waived by Buyer. For purposes of this Agreement, the term “**Final Order**” shall mean that action shall have been taken by the FCC (including action duly taken by the FCC’s staff, pursuant to delegated authority) which shall not have been reversed, stayed, enjoined, set aside, annulled or suspended; with respect to which no timely request for stay, petition for rehearing, appeal or certiorari or sua sponte action of the FCC with comparable effect shall be pending; and as to which the time for filing any such request, petition, appeal, certiorari or for the taking of any such sua sponte action by the FCC shall have expired or otherwise terminated.

## **9. Post-Closing Obligations.**

**9.1. Consents to Assignment.** Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an agreement to assign any contract or benefit arising thereunder or resulting therefrom if an attempted assignment without the consent of any third party would constitute a default or in any way materially adversely affect the rights or obligations of Buyer. Sellers will use commercially reasonable efforts to obtain the consent of other parties for the assignment to Buyer.

**9.2. Books and Records.** Each party shall cooperate with and make available to the other party, upon reasonable advance written notice and during normal business hours, all books and records, information and employees that are necessary or useful in connection with any tax inquiry, audit, investigation, dispute or any other matter requiring any such books and records, information or employees for any reasonable business purpose. Notwithstanding the foregoing, neither party shall be obligated to take any action against the advice of its own counsel.

**9.3. Tax Matters.** Each party shall (i) provide the other with such assistance as may reasonably be requested by either of them in connection with the preparation of any tax return, audit, or other examination by any taxing authority or other governmental authority relating to liability for taxes; (ii) retain and provide the other with any records or other information that may be relevant to such return, audit, examination, proceeding, or determination, and (iii) provide the other with any final determination of any such audit, examination, proceeding, or determination that affects any amount to be shown on any return of the other for any taxable period. Buyer and Sellers shall be responsible for 50% of any and all transfer, documentary, stamp, sales, use, and other such taxes

and fees (including penalties and interest) (“**Transfer Taxes**”) incurred in connection with the transactions contemplated by this Agreement.

**9.4. Liabilities.** Following the Closing, Buyer shall pay or perform, or cause to be paid or performed, when due all of the Assumed Liabilities and Alaska Employment-Related Liabilities and shall hold the Sellers harmless from and against the same.

**10. Miscellaneous Provisions.**

**10.1. Fees and Expenses.** Except as otherwise specified in this Agreement, regardless of whether the Closing takes place, each party shall bear its own legal, accounting, out-of-pocket and other expenses incurred in connection with this Agreement and to any action taken by such party in preparing and negotiating this Agreement.

**10.2. Governing Law; Attorneys’ Fees.** This Agreement (including any claim or controversy out of this Agreement) shall be construed, performed, and enforced in accordance with the laws of the State of Texas.

**10.3. Exclusive Jurisdiction.** The US Bankruptcy Court shall have sole and exclusive jurisdiction of all matters arising out of and related to this Agreement and the transactions contemplated hereby until a Sale Order is issued.

**10.4. Notices.** Any notice, requests, demand or other communication required or permitted hereunder shall be in writing and shall be deemed to have given (a) on the date received if sent by e-mail prior to 5:00 pm Juneau time on a business day, and on the next business day if sent by e-mail after such time, or (b) if sent by a nationally recognized courier service guaranteeing overnight delivery, on the next business day. All notices to a party will be sent to the addresses set forth below or to such other addresses or person as such party may designate by notice to each other party hereunder:

To FTI:

FTI Consulting Canada Inc.  
1610, 520 – 5th Ave S.W.  
Calgary, AB T2P 3R7 Canada  
Attention: Deryck Helkaa  
Email: Deryck.helkaa@fticonsulting.com

With copies (which shall not constitute notice) to:

Norton Rose Fulbright US LLP  
2200 Ross Avenue, Suite 3600  
Dallas, Texas 75201-7932  
Attention: Kristian Gluck  
Email: Kristian.gluck@nortonrosefulbright.com

To Sellers:

BTC USA Holdings Management, Inc.

Frontier Media LLC

Alaska Broadcast Communications Inc.

c/o FTI Consulting Canada Inc.  
1610, 520 – 5th Ave S.W.  
Calgary, AB T2P 3R7 Canada  
Attention: Deryck Helkaa  
Email: Deryck.helkaa@fticonsulting.com

With copies (which shall not constitute notice) to:

Norton Rose Fulbright US LLP  
2200 Ross Avenue, Suite 3600  
Dallas, Texas 75201-7932  
Attention: Kristian Gluck  
Email: Kristian.gluck@nortonrosefulbright.com

To Buyer:

Alaska First Media, Inc.  
2628 John Street  
Juneau Alaska, 99801  
Attention: Cliff Dumas  
Email: cdumas@frontiermediausa.com

With copies (which shall not constitute notice) to:

Mirsky Corporate Advisors  
901 Dove Street, Ste. 120  
Newport Beach, CA 92660  
Attention:  
Email: smirsky@mirskycorporateadvisors.com

Any notice given hereunder may be given on behalf of any party by its counsel or other authorized representative. Any reference to “business day” in this Agreement means any day that is not a Saturday, a Sunday, or other day on which banks are required or authorized by law to be closed in Juneau, Alaska.

**10.5. No Third-Party Beneficiaries.** This Agreement shall not confer any rights or remedies upon any person other than the parties and their respective successors and permitted assigns.

**10.6. Construction.** The parties have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. The words “including” and “include” and other words of similar import will be deemed to be followed by the phrase “without limitation” where such phrase does not appear.

**10.7. Assignment.** Neither this Agreement nor any of the rights or obligations hereunder may be assigned by any party without the prior written consent of the other party and of the US Bankruptcy Court. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Notwithstanding

the foregoing, the Buyer may, with prior written notice to the Sellers, assign this Agreement and any or all rights, interests, or obligations hereunder to an affiliate of Buyer. Upon any such permitted assignment, the references in this Agreement to Buyer shall refer to such assignee unless the context otherwise requires.

10.8. **Captions and Plural.** The captions in this Agreement are for convenience only and shall not affect the construction or interpretation of any term or provision hereof. The use in this Agreement of the singular in reference to a party hereto shall be deemed to include the plural, as the context may require.

10.9. **Modification; Waiver.** No amendment or modification shall be effective unless it is in writing signed by all parties. No waiver shall be effective unless it is in writing by the party granting the waiver. A waiver for one occasion shall not be effective for another occasion.

10.10. **Force Majeure.** No liability shall result to either party from any delay in performance or from non-performance (other than non-payment) caused by circumstances beyond the reasonable control of such party, including, without limitation, acts of God, acts of terrorism, or violence, fire, flood, explosion, war, tariffs, action or request of governmental authority, accident, labor trouble, or shortage, inability to obtain material, power, equipment or transportation, or any other circumstances of a similar or different nature beyond such party's reasonable control.

10.11. **Counterparts.** This Agreement may be signed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

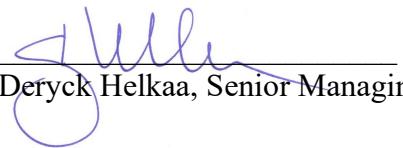
10.12. **Entire Agreement.** This Agreement, including the exhibits and schedules thereto, reflects the entire agreement of the parties with respect to the purchase of the Alaska Assets and supersedes all previous written or oral negotiations, commitments, and writing to the extent they relate to the subject matter hereof.

*[Signature Page to Follow]*

The parties hereto have caused this Asset Purchase Agreement to be duly signed by their authorized representatives as of the date and year indicated in the introductory clause.

**FTI:**

**FTI Consulting Canada Inc.,**  
solely in its capacity as court-appointed  
receiver for Sellers, and not in its personal  
or corporate capacity

By:   
Deryck Helkaa, Senior Managing Director

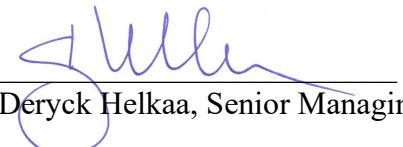
**SELLERS:**

**BTC USA Holdings Management, Inc.,**  
a Delaware corporation

**Frontier Media, LLC,**  
an Alaska limited liability company

**Alaska Broadcast Communications Inc.,**  
an Alaska corporation

**By FTI Consulting Canada Inc.,**  
solely in its capacity as court-appointed  
receiver for Sellers, and not in its personal  
or corporate capacity

By:   
Deryck Helkaa, Senior Managing Director

**BUYER:**

**Alaska First Media Inc.,**  
an Alaska corporation

By:   
Cliff Dumas, CEO

**Schedule 1.1**  
**(Alaska FCC Licenses)**

Station FCC Licenses

<b>Facility ID</b>	<b>Call Sign</b>	<b>City</b>	<b>State</b>	<b>Service</b>	<b>Licensee</b>
777	K280ED	HOONAH	AK	FX	BTC USA Holdings Management Inc.
820	KSUP	JUNEAU	AK	FM	BTC USA Holdings Management Inc.
821	K280DX	ANGOON	AK	FX	BTC USA Holdings Management Inc.
822	K300AB	JUNEAU	AK	FX	BTC USA Holdings Management Inc.
823	KINY	JUNEAU	AK	AM	BTC USA Holdings Management Inc.
824	K272FV	SITKA	AK	FX	BTC USA Holdings Management Inc.
82616	K279AF	HAINES & SKAGWAY	AK	FX	BTC USA Holdings Management Inc.
137761	K284AM	SKAGWAY	AK	FX	BTC USA Holdings Management Inc.
161171	KXXJ	JUNEAU	AK	AM	BTC USA Holdings Management Inc.
202194	K235DA	JUNEAU	AK	FX	BTC USA Holdings Management Inc.
202195	K227DP	JUNEAU	AK	FX	BTC USA Holdings Management Inc.
788	KTKN	KETCHIKA	AK	AM	Alaska Broadcast Communications, Inc. N
789	KGTW	KETCHIKA	AK	FM	Alaska Broadcast Communications, Inc. N
790	K248AI	KETCHIKA	AK	FX	Alaska Broadcast Communications, Inc. N
791	K258AD	CRAIG	AK	FX	Alaska Broadcast Communications, Inc.
32949	K278GE	JUNEAU	AK	FX	Alaska Broadcast Communications, Inc.
32950	KTKU	JUNEAU	AK	FM	Alaska Broadcast Communications, Inc.
60516	KIFW	SITKA	AK	AM	Alaska Broadcast Communications, Inc.
60517	KSbz	SITKA	AK	FM	Alaska Broadcast Communications, Inc.
61235	KJNO	JUNEAU	AK	AM	Alaska Broadcast Communications, Inc.
147853	K252EJ	WRANGEL	AK	FX	Alaska Broadcast Communications, Inc. L
202193	K248DQ	JUNEAU	AK	FX	Alaska Broadcast Communications, Inc.
202240	K227DQ	KETCHIKA	AK	FX	Alaska Broadcast Communications, Inc. N

Wireless FCC Licenses:

Call Sign	Facility ID	Community of License	File No.	Expiration Date
K280DX	821	Angoon, AK	0000160957	02/01/2030
K279AF	82616	Haines & Skagway, AK	0000160958	02/01/2030
K280ED	777	Hoonah, AK	0000160961	02/01/2030
K227DP	202195	Juneau, AK	0000160972	02/01/2030
K235DA	202194	Juneau, AK	0000160960	02/01/2030
K300AB	822	Juneau, AK	0000160948	02/01/2030
KINY	823	Juneau, AK	0000160956	02/01/2030
KSUP	820	Juneau, AK	0000160947	02/01/2030
KXXJ	161171	Juneau, AK	0000160971	02/01/2030
K272FV	824	Sitka, AK	0000161052	02/01/2030
K284AM	137761	Skagway, AK	0000160959	02/01/2030

**Schedule 1.2**  
**(Alaska Real Property)**

Street Address	Legal Description
611 Lake St., Sitka, AK 99835	Lot 1, SITKA BROADCASTERS SUBDIVISION, according to the Plat thereof filed September 8, 1980 as Plat No. 80-6, Sitka Recording District, First Judicial District, State of Alaska
526 Stedman Street, Ketchikan, AK 99901	<p>Lot 7, Block 27, U.S. Survey 437, Ketchikan Recording District, First Judicial District, State of Alaska,</p> <p>EXCEPTING THEREFROM: The portion thereof conveyed to the State of Alaska by Warranty Deed recorded May 11, 1972 in Volume 41 of Deeds at Page 235</p> <p>AND</p> <p>That portion of Lot 6, Block 27, U.S. Survey 437, Ketchikan Recording District, First Judicial District, State of Alaska, described as follows:</p> <p>Beginning at a point 80 feet westerly along East Street from the southeast corner of Block 27, U.S. Survey 437, thence S.33°57'W 208.14 feet, thence N. 40°50' W. 66.10 feet, thence N. 19°15' W. 88.21 feet, thence N. 61°20' E. 68.25 feet, thence N. 46°52' E. 24.40 feet, thence N. 33°57' E. 64.74 feet, thence S. 49°07' E. 99.50 feet to point of beginning.</p> <p>EXCEPTING THEREFROM: That portion thereof conveyed to John Danielson et ux by Quitclaim Deed recorded July 20, 1966 in Volume 26 of Deeds at Page 170</p>
3890 Douglas Highway, Juneau, AK 99801	Tract II, Subdivision of Fraction of U.S. Survey No. 1361, according to Plat No. 269, Juneau Recording District, First Judicial District, State of Alaska.

**Schedule 1.6**  
**(Assumed Contracts)**

<b>Seller</b>	<b>Counterparty</b>	<b>Agreement</b>
Frontier Media LLC	AIIR systems (Playout One)	Station operating licensed software
Frontier Media LLC	Local Radio Networks	Music programming software
Frontier Media LLC	Radio Work Flow	CRM and billing system
Frontier Media LLC	Kraken Audio Network	Affiliate Partnership Agreement
Frontier Media LLC	ABC News Radio	License Agreement
Frontier Media LLC	Premier Networks	The Herd License Agreement
Frontier Media LLC	Seattle Seahawks Radio	Network Affiliate Agreement
Frontier Media LLC	High Mountain	Tower lease agreement (Ketchikan)
Frontier Media LLC	Tidelands	Lease (Douglas Tower)
Frontier Media LLC	Gray Media, Inc.	Tower License Agreement (3890 N. Douglas Highway, Juneau, AK)
Frontier Media LLC	Educational Foundation	Lease Agreement (3890 N. Douglas Highway, Juneau, AK)
Frontier Media LLC	Kantar Media/CMR	Space Use Agreement (3890 N. Douglas Highway, Juneau, AK)

**Schedule 1.8**  
**(Intellectual Property)**

**Marks**

All brands associated with the Alaska Stations and associated programming.

Problem Corner

News of the North

Capital Chat

Southeast Sounds

Juneau Media Center

Ketchikan Media Center

Sitka Media Center

**Copyrights**

None

**Domain names**

www.kinyradio.com

www.taku105.com

www.mixfmalaska.com

www.kxjradio.com

www.kjnoradio.com

www.thehawkjuneau.com

www.gateway106.com

www.ktknketchikan.com

www.therockketchikan.com

www.mix103sitka.com

www.kifwsitka.com

**Social Media**

(all social media sites associated with station URLs)

Facebook

Instagram

**Schedule 1.9**  
**(Excluded Assets)**

3161 Channel Drive, Juneau, AK 99801  
All property located in the states of Arkansas and Texas

**Exhibit A**  
**Form of Bill of Sale**

**BILL OF SALE**

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, [Name of Seller] ("Seller") does hereby transfer, sell, assign, convey, and deliver to Alaska First Media Inc. ("Buyer"), all right, title, and interest of the Seller in and to the Alaska Assets (as such term is defined in that certain Asset Purchase Agreement of even date herewith, by and between Buyer and Seller).

Seller hereby covenants and agrees that, at any time upon the written request of Buyer, Seller will do, sign, acknowledge, and deliver, or cause to be done, signed, acknowledged, and delivered, each and all of such further acts, deeds, assignments, transfers, conveyances, and assurances as may reasonably be required by Buyer to transfer, assign, convey, and deliver unto and vest in Buyer all rights, title, and interest of Seller in and to the Alaska Assets.

Seller has caused this Bill of Sale to be signed by its authorized representatives as of [date].

**[Seller Entity]**  
a/an [State of Incorporation/Organization][Type of entity]

**By FTI Consulting Canada Inc.,**  
solely in its capacity as court-appointed  
receiver for [Seller Entity], and not in its  
personal or corporate capacity

By: \_\_\_\_\_

**Exhibit B**  
**Form of Assignment of Contracts**

**ASSIGNMENT OF CONTRACTS**

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, [Name of Seller] ("Seller"), does hereby transfer and assign to Alaska First Media Inc., an Alaskan corporation ("Buyer"), all right, title, and interest in and to each of the Assumed Contracts (as such term is defined in that certain Asset Purchase Agreement of even date herewith by and between Buyer and Seller (the "Agreement"), subject to Section 9.2 of the Agreement.

Each party shall sign and deliver, at the reasonable request of the other, such additional documents, instruments, conveyances and assurances and take all such further actions as such other party may reasonable request to carry out the provisions hereof and to give effect to the transactions contemplated by this Assignment of Contracts.

This Assignment of Contracts shall be governed by the laws of the State of Texas.

**[Seller Entity]**  
a/an [State of Incorporation/Organization][Type of entity]

**By FTI Consulting Canada Inc.,**  
solely in its capacity as court-appointed  
receiver for [Seller Entity], and not in its  
personal or corporate capacity

By: \_\_\_\_\_

**Alaska First Media Inc.,**  
an Alaska corporation

By: \_\_\_\_\_  
Cliff Dumas, CEO

**Exhibit C**  
**Form of Intellectual Property Assignment Agreement**

**INTELLECTUAL PROPERTY ASSIGNMENT AGREEMENT**

This Intellectual Property Assignment Agreement (“Assignment Agreement”) is dated [date], 2025 (the “Effective Date”) by and between [Seller entity] (“Assignor”) and Alaska First Media, Inc., an Alaska corporation (“Assignee”).

The parties have signed that certain Asset Purchase Agreement dated [date] (the “Purchase Agreement”), whereby Assignor agreed to assign and transfer to Assignee the Intellectual Property (as such term is defined in the Purchase Agreement). All capitalized terms used in this Assignment Agreement that are not defined shall have the meaning assigned in the Purchase Agreement.

The parties hereby agree as follows:

1. **Assignment of Intellectual Property.** Assignor hereby sells, assigns, transfers, and conveys unto Assignee and/or its designees, all right, title, and interest, in and to the IP, including, without limitation, the Marks, Copyrights, and Domain Names (as defined below) as set forth in Schedule 1.4 of the Purchase Agreement, which Schedule is incorporated herein by reference.

2. **Trademarks.** Assignor hereby sells, assigns, transfers, and conveys unto Assignee or its designee, all right, title, and interest in and to all of the following, together with the goodwill of the business and products associated with and symbolized by the same (collectively, the “Marks”): all trademarks, service marks, logos, trade names, trade dress, logos, packaging design, slogans, registered and unregistered trademarks, service marks, and other marks of the Assignor, including all registrations and applications for registration, together with the goodwill of the business symbolized by the Marks, and all common law rights relating thereto, and any and all claims for past infringement therefor, including all rights as opponents in any opposition or cancellation proceeding.

3. **Copyrights.** Assignor hereby sells, assigns, transfers, and conveys unto Assignee or its designee, all right, title, and interest in and to all of the following (collectively, the “Copyrights”): all registered and unregistered copyrights in both published and unpublished works, including, without limitation, all curricula, program materials, compilation, software, databases, software (including, without limitation, source codes, executable code, data, databases, and related documentation), schematics, firmware, and technology, manuals, and other documents used in connection with the Alaska Stations, and computer programs, manuals, and other documentation and all copyright registrations and applications, and all derivatives, translations, adaptations, and combinations of the above, including any renewals and extensions of such copyrights that may be secured under the laws now or hereafter pertaining thereto in the United States or in any other country, along with any and all claims for past infringement arising prior to the Effective Date.

4. **Domain Names.** Assignor hereby sells, assigns, transfers, and conveys unto Assignee or its designee, all right, title, and interest in and to all of the following (collectively, the “**Domain Names**”): all domain names of Assignor. Without limiting the foregoing, Assignor agrees to promptly perform all actions required by the applicable domain name registrar to complete the conveyance of Domain Names to Assignee. The Assignor agrees that it will not register or attempt to register any domain names after the Effective Date that include any of the Marks or Copyrights being assigned or any variations thereof.

5. **Further Assurances.** Each party shall deliver to the other such further information and documents and shall sign and deliver to the other such further instruments and agreements as the other party may reasonably request to consummate or confirm the transactions provided for in this Assignment Agreement. The terms and conditions of this Assignment Agreement will inure to the benefit of Assignee, its successors, assigns, and other legal representatives and will be binding upon Assignor, its successors, assigns, and other legal representatives.

The parties are signing this Assignment Agreement as of the Effective Date.

**[Seller Entity]**

a/an [State of Incorporation/Organization][Type of entity]

**By FTI Consulting Canada Inc.,**  
solely in its capacity as court-appointed  
receiver for [Seller Entity], and not in its  
personal or corporate capacity

By: \_\_\_\_\_

**Alaska First Media Inc.,**  
an Alaska corporation

By: \_\_\_\_\_  
Cliff Dumas, CEO

**EXHIBIT D**  
**Form of Quit-Claim Deed**

**QUITCLAIM DEED**

**STATE OF [STATE]**

[GRANTOR NAME(S)], a[n] [STATE OF ORGANIZATION] [ENTITY TYPE], hereinafter referred to as "Grantor," whether one or more, of the County of [COUNTY], State of [STATE], for and in consideration of [NUMBER IN WORDS] Dollars (\$[NUMBER]) and other good and valuable consideration paid to Grantor by Grantee herein named, the receipt and sufficiency of which is hereby acknowledged, has Remised, Released, and Quitclaimed, and by these presents does Remise, Release, and Quitclaim to [GRANTEE NAME(S)], a[n] [STATE OF ORGANIZATION] [ENTITY TYPE], hereinafter referred to as "Grantee," whether one or more, whose address is [GRANTEE(S) MAILING ADDRESS], all of Grantor's right, title, and interest in and to the following described real estate situated in [COUNTY], [STATE], to wit:

**[LEGAL DESCRIPTION]**

TO HAVE AND TO HOLD all of Grantor's rights, title, and interest in and to the above described property and premises to Grantee and Grantee's heirs, successors, and assigns forever, so that neither Grantor nor Grantor's heirs, successors, or assigns will have, claim, or demand any right or title to the property or any part of it

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

**[Grantor]**  
a/an [State of Incorporation/Organization][Type of entity]

**By FTI Consulting Canada Inc.,**  
solely in its capacity as court-appointed  
receiver for [Seller Entity], and not in its  
personal or corporate capacity

By: \_\_\_\_\_

**[STATE OF [STATE]]**

**COUNTY OF [COUNTY]**

Before me [OFFICER NAME AND TITLE], on this day personally appeared [GRANTOR NAME], known to me [or proved to me on the oath of [WITNESS NAME] or through [DESCRIBE IDENTITY CARD OR OTHER DOCUMENT] to be the person whose name is

subscribed to the foregoing instrument and acknowledged to me that such person executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this [DAY] day of [MONTH], [YEAR].

---

[OFFICER NAME]  
[OFFICER TITLE]

(Seal)

My commission expires on [DATE]

COURT FILE NUMBER 2501-01744  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
PLAINTIFF ATB FINANCIAL

DEFENDANTS LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC., FRONTIER MEDIA LLC and BROADCAST 2 PODCAST, INC.

APPLICANT FTI CONSULTING CANADA INC., solely in its capacity as Court-appointed Receiver and Manager of the current and future assets, undertakings and properties of LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC., FRONTIER MEDIA LLC and BROADCAST 2 PODCAST, INC.

DOCUMENT **APPLICATION RE SALE PROCESS**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
Norton Rose Fulbright Canada LLP  
400 3rd Avenue SW, Suite 3700  
Calgary, Alberta T2P 4H2 CANADA

Gunnar Benediktsson / Meghan L. Parker  
gunnar.benediktsson@nortonrosefulbright.com  
meghan.parker@nortonrosefulbright.com  
Tel: +1 403.267.8222  
Fax: +1 403.264.5973

Lawyers for FTI Consulting Canada Inc.  
File no.: 1001336442

#### **NOTICE TO RESPONDENTS**

This application is made against you. You are a respondent. You have the right to state your side of this matter before the Court.

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

Date: October 23, 2025

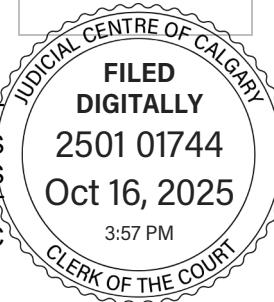
Time: 2:00 P.M.

Where: Edmonton, Alberta

Before Whom: The Honourable Justice Dunlop, via WebEx  
(<https://albertacourts.webex.com/meet/virtual.courtroom86>)

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

Clerk's stamp



**Remedy claimed or sought:**

1 FTI Consulting Canada Inc., in its capacity as Court-appointed receiver and manager (**FTI**, or the **Receiver**) of the current and future assets, undertakings and properties of Local First Media Group Inc., Local First Properties Inc., BTC USA Holdings Management Inc., Local First Properties USA Inc., Alaska Broadcast Communications, Inc., Frontier Media LLC and Broadcast 2 Podcast, Inc. (the **Debtors**), seeks an Order, substantially in the form attached hereto as **Schedule “A” (Sale Process Order)**:

- (a) approving and ratifying the sale process attached as Schedule 1 thereto (the **Sale Process**), and in duplicate at Appendix “A” to the First Report of the Receiver, dated October 16, 2025 (the **First Report**), subject to any amendments thereto that may be made in accordance with the Sale Process, in order to solicit offers and proposals for a sale in relation to certain radio stations and related personal property and real property located in Alaska (the **Alaska Property**) and in Texas and Arkansas (the **Texas Property**);
- (b) authorizing and approving the execution of the Asset Purchase Agreement, dated October 15, 2025, between Alaska First Media Inc., an Alaska corporation (**Alaska First**), as buyer, and the Receiver, as seller, in relation to the Alaska Property, which is attached as Appendix “B” to the Receiver’s First Report (the **Stalking Horse Agreement**);
- (c) declaring that the Stalking Horse Agreement is approved as the Stalking Horse Bid in respect of the Alaska Property (the **Stalking Horse Bid**) pursuant to and for the purposes of the Sale Process;
- (d) approving the Break Fee (as defined below);
- (e) authorizing and directing the Receiver to immediately commence the Sale Process and to take any and all actions as may be necessary or desirable to implement and carry out the Sale Process in accordance with the Sale Process Order.

**Grounds for making this application:**

***Background***

2 The Debtors consist of Canadian companies with United States (**US**) affiliates operating radio stations in the US. Together, the Debtors own certain radio stations, the associated equipment and other personal property required to operate the radio stations, and certain real estate and associated improvements, including buildings and cell towers.

3 The Debtors' major secured creditor is ATB Financial (**ATB**), which extended credit facilities and related services to the Debtors as borrowers and/or guarantors pursuant to a commitment letter dated April 10, 2023 (the **Commitment Letter**). On or about November 24, 2023, ATB and the Debtors entered into a forbearance agreement whereby ATB agreed to temporarily forbear from exercising its rights against the Debtors in exchange for certain covenants and agreements contained therein, including the agreement for a consent receivership order (the **Forbearance Agreement**). On February 10, 2025, following the Debtors' defaults under the Commitment Letter and Forbearance Agreement, ATB filed an application to appoint a receiver.

4 On February 21, 2025, FTI was appointed as Receiver of the current and future assets, undertakings and properties of the Debtors pursuant to an Order granted by the Honourable Justice M. J. Lema (the **Receivership Order**).

5 Because the Debtors carry on cross-border business and operations, the Receiver filed petitions on behalf of the Debtors for relief pursuant to Chapter 15 of the United States *Bankruptcy Code* (the **US Bankruptcy Code**). On July 8, 2025, the US Bankruptcy Court for the Eastern District of Texas, Texarkana Division (the **US Court**), entered an Order Granting Petition for Recognition as Foreign Main Proceeding Pursuant to Sections 1517 and 1520 of the US Bankruptcy Code and Related Relief (**Recognition Order**), which recognized the Receiver as foreign representative under Chapter 15 of the US Bankruptcy Code.

6 Management of the Debtors has remained in place in order to ensure the viability of ongoing operations, including by ensuring the various Federal Communications Commission licenses (**FCC Licenses**) associated with the assets remain in good standing. As such, the Receiver has worked with the Debtors to maximize value of their business and operations for the creditors and stakeholders of the Debtors, but has not taken possession and control of the Debtors' assets.

#### ***The Sale Process and Stalking Horse Agreement***

7 The Receiver has developed the Sale Process for (1) the Alaska Property, which is comprised of the interests of BTC USA Holdings Management, Inc., Frontier Media LLC, and Alaska Broadcast Communications Inc. in certain property located in or around Sitka, Ketchikan and Juneau, Alaska, and related rights and interests, and (2) the Texarkana Property, which is comprised of the interests of BTC USA Holdings Management Inc., Frontier Media LLC, and Alaska Broadcast Communications Inc. in certain property located in or around Texarkana, Hope, and New Boston, Texas and Arkansas, and related rights and interests (the **Texas Property**, and, collectively with the Alaska Property, the **Property**), with a view to implementing an open, fair, and efficient process to solicit the sale of the Property and to obtain the best offers in the circumstances.

8 The Sale Process contemplates:

- (a) potential bidders are to submit offers by December 9, 2025;
- (b) where an auction or auctions are to be held in accordance with the Sale Process, that is to take place on December 15, 2025;
- (c) Court approval of any transactions arising from the Sale Process is to take place on or before January 30, 2026;
- (d) recognition by the US court is to take place on or before February 9, 2026;
- (e) transactions arising from successful bids are to close on or before March 31, 2026.

9 In respect of the Alaska Property, the Receiver had been approached by the principal of Alaska First, on June 30, 2025, with a letter of intent for the purchase and sale of said property. The principal of Alaska First is the Managing Partner of one of the Debtors, Frontier Media, LLC. Following negotiations between the parties, Alaska First agreed to act as Stalking Horse Bidder for the purposes of the Alaska Property and the Sale Process. The parties subsequently executed the Stalking Horse Agreement.

10 The Stalking Horse Agreement contemplates the purchase of the Alaska Property for a total purchase price of USD \$1,280,797.59, comprised of USD \$380,797.59 for the radio stations and related assets, and USD \$900,000 for the real property.

11 The portion of the Sale Process specific to the Alaska Property contemplates:

- (a) Alaska First to act as the Stalking Horse Bidder, with a bid of USD \$1,280,797.59 (**the Stalking Horse Bid Amount**);
- (b) in the event a more favourable offer is accepted in the Sale Process for the Alaska Property, Alaska First would be entitled to a break fee of 1.5% of the purchase price of the competing bid (**the Break Fee**);
- (c) in order for a bid to be a qualified bid (**Qualified Bid**), it must be for, at minimum, the aggregated cash amount of the Stalking Horse Bid Amount and a minimum incremental overbid of \$100,000 (which encompasses the Break Fee);
- (d) where any Qualified Bids other than the Stalking Horse Bid are received, the Receiver will conduct an auction to determine the highest or best bid;
- (e) where no Qualified Bid other than the Stalking Horse Bid is received, there will be no auction and the Stalking Horse Bid will be deemed to be the Successful Bid.

12 The Receiver is of the view that the Sale Process is the most commercially reasonable manner in which to maximize the value for all of the Debtors' stakeholders, and is in the best interests of the Debtors and their stakeholders.

**Conclusion**

13 The relief sought in the Sale Process Order is appropriate.

14 The provisions of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, the *Judicature Act*, RSA 2000, c J-2, and the equitable jurisdiction of this Court permit the granting of the Sale Process Order. The Receiver understands the fulcrum secured creditor of the Debtors, ATB, supports the relief being sought.

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

**Material or evidence to be relied on:**

16 The Receivership Order.

17 The First Report of the Receiver, filed in support of this Application, or shortly thereafter.

18 Such further and other materials as counsel may advise and this Honourable Court may permit.

**Applicable rules:**

19 Rules 6.3(1) and 6.9(1) of the *Rules of Court*, Alta. Reg. 124/2010.

20 Such further and other Rules as counsel may advise and this Honourable Court may permit.

**Applicable Acts and regulations:**

21 The *Bankruptcy and Insolvency Act*, RSC 1985, c B-3.

22 Such further and other Acts and regulations as counsel may advise and this Honourable Court may permit.

**Any irregularity complained of or objection relied on:**

23 There are no irregularities complained of or objections relied on.

**How the application is proposed to be heard or considered:**

24 Before the Honourable Justice Dunlop on the Commercial List.

AFFIDAVIT EVIDENCE IS REQUIRED IF YOU WISH TO OBJECT.

**WARNING**

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

# Schedule A

COURT FILE NUMBER	2501-01744	Clerk's stamp
COURT	COURT OF KING'S BENCH OF ALBERTA	
JUDICIAL CENTRE	CALGARY	
PLAINTIFF	ATB FINANCIAL	
DEFENDANTS	LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC., FRONTIER MEDIA LLC and BROADCAST 2 PODCAST, INC.	
APPLICANT	FTI CONSULTING CANADA INC., solely in its capacity as Court-appointed Receiver and Manager of the current and future assets, undertakings and properties of LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC., FRONTIER MEDIA LLC and BROADCAST 2 PODCAST, INC.	
DOCUMENT	<b>ORDER</b> <b>Re Sale Process Approval</b>	

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Norton Rose Fulbright Canada LLP  
400 3rd Avenue SW, Suite 3700  
Calgary, Alberta T2P 4H2 CANADA

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Fax: +1 403.264.5973

Lawyers for FTI Consulting Canada Inc.  
File no.: 1001336442

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DATE ON WHICH ORDER WAS PRONOUNCED: October 23, 2025

LOCATION OF HEARING: Edmonton, Alberta (via WebEx)

NAME OF JUSTICE WHO GRANTED THIS ORDER: The Honourable Justice Dunlop

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**UPON** the application of FTI Consulting Canada Inc., in its capacity as Court-appointed receiver and manager (the **Receiver**) of the current and future assets, undertakings and properties of Local First Media Group Inc., Local First Properties Inc., BTC USA Holdings Management Inc., Local First Properties USA Inc., Alaska Broadcast Communications, Inc., Frontier Media LLC and Broadcast 2 Podcast, Inc., for an Order approving (i) the sale process attached hereto as Schedule 1 (the **Sale Process**) and in duplicate at

Appendix "A" to the Receiver's First Report, and (ii) and the Asset Purchase Agreement dated October 16, 2025, between Alaska First Media Inc., an Alaska corporation (**Alaska First**), as buyer, and the Receiver, as seller, which is attached as Appendix "B" to the Receiver's First Report (the **Stalking Horse Agreement**);

**AND UPON** having read the Application and the First Report of the Receiver, dated October 16, 2025 (the **First Report**), and the Affidavit of Service, all filed;

**AND UPON** hearing counsel for the Receiver and any other parties that may be present;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

***Definitions and Service***

- 1 Capitalized terms not otherwise defined take their meaning from the Sale Process.
- 2 The time for service of this Application and all supporting materials is hereby abridged, if necessary.

***Approval of the Sale and Investment Solicitation Process***

- 3 The Sale Process (subject to any amendments thereto that may be made in accordance with the terms therewith and with this Order) is hereby approved and the Receiver is hereby authorized and directed to implement the Sale Process pursuant to the terms thereof. The Receiver is hereby authorized and directed to take any and all actions as may be necessary or desirable to implement and carry out the Sale Process in accordance with its terms and this Order.
- 4 The Receiver and its respective affiliates, partners, directors, officers, employees, counsel, representatives, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to any Person in connection with or as a result of implementing or otherwise in connection with the Sale Process, except to the extent such losses, claims, damages or liabilities that arise or result from their respective gross negligence or wilful misconduct, as applicable, as determined by this Court in a final order that is not subject to appeal or other review.

***Approval of the Stalking Horse Agreement***

- 5 The Receiver's entry into the Stalking Horse Agreement is hereby ratified and approved.
- 6 The Stalking Horse Agreement is hereby approved and accepted solely for the purposes of being the Stalking Horse Bid under the Sale Process, provided that nothing herein approves the transactions contemplated in the Stalking Horse Bid, and the approval of any transactions contemplated by the Stalking Horse Agreement shall be considered by this Court on a subsequent application made to this Court if the Stalking Horse Agreement is the Successful Bid pursuant to the Sale Process.

- 7 The Break Fee is hereby approved and the Receiver is hereby authorized and directed to pay the Break Fee to the Stalking Horse Bidder to the extent the Stalking Horse Bid is not the Successful Bid, subject to and in accordance with the terms of the Sale Process.
- 8 The Receiver and its respective advisors are hereby authorized and permitted to disclose and transfer to Participating Bidders and their respective advisors personal information of identifiable individuals (**Personal Information**), records pertaining to Debtors' past and current employees, and information on specific customers, but only in accordance with the terms of the Sale Process and to the extent desirable or required to negotiate or attempt to complete a transaction under the Sale Process (a **Transaction**). Each Participating Bidder to whom such Personal Information is disclosed shall maintain and protect the privacy of such Personal Information and limit the use of such Personal Information to its evaluation of a Transaction, and, if it does not complete a Transaction, shall return all such information to the Receiver or, in the alternative, destroy all such information and provide confirmation of its destruction if requested by the Receiver. The Successful Bidder(s) shall maintain and protect the privacy of such information and, upon closing of the Transaction(s) contemplated in the Successful Bid(s), shall be entitled to use the personal information provided to it that is related to the Property acquired pursuant to the Sale Process in a manner that is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed and provide confirmation of its destruction if requested by the Receiver.

***General***

- 9 The Receiver may, from time to time, apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of its powers and duties under this Order or in the interpretation of this Order.
- 10 This Order shall have full force and effect in all provinces and territories in Canada.
- 11 This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, or any other foreign jurisdiction, to give effect to this Order and to assist the Receiver and its respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.

12 The Receiver shall be at liberty, and is hereby authorized and empowered, to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

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

(a) Serving the same on:

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

(b) (b) Posting a copy of this Order on the Monitor's website at:  
<http://cfcanaada.fticonsulting.com/LocalFirst/>

and service on any other person is hereby dispensed with.

14 Service of this Order by e-mail, facsimile, courier, regular mail or personal delivery shall constitute good and sufficient service of this Order.

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Justice of the Court of King's Bench of Alberta

SCHEDULE 1

SALE PROCESS

## **PROCEDURES FOR THE SOLICITATION AND SALE PROCESS**

On February 21, 2025, FTI was appointed as receiver and manager (the **Receiver**) of the current and future assets, undertakings and properties of Local First Media Group Inc., Local First Properties Inc., BTC USA Holdings Management Inc., Local First Properties USA Inc., Alaska Broadcast Communications, Inc., Frontier Media LLC and Broadcast 2 Podcast, Inc. (the **Debtors**) pursuant to an Order granted by the Honourable Justice M. J. Lema (the **Receivership Order**) (the **Receivership Proceedings**). The Receivership Proceedings commenced upon application by ATB Financial, the fulcrum secured creditor of the Debtors (the **Secured Creditor**).

On July 8, 2025, the US Bankruptcy Court for the Eastern District of Texas, Texarkana Division (the **US Court**), entered an Order Granting Petition for Recognition as Foreign Main Proceeding Pursuant to Sections 1517 and 1520 of the US Bankruptcy Code and Related Relief (the **Receivership Recognition Order**), which recognized the Receiver as foreign representative under Chapter 15 of the US Bankruptcy Code.

The Receiver has determined that a sale solicitation process (the **Sale Process**), as set out herein, is the best and most effective way to realize on the Debtors' property. The Receiver intends to seek a Court order approving of this Sale Process (the **Sale Process Order**). The Sale Process will be conducted by the Receiver in the manner set forth herein and in accordance with the Sale Process Order.

Among other things, the Sale Process Order will also approve the stalking horse agreement (as may be amended from time to time pursuant to its terms and the Sale Process Order, the **Stalking Horse Agreement**) to be entered into between the Receiver, BTC USA Holdings Management, Inc., Frontier Media LLC, and Alaska Broadcast Communications Inc., as sellers, and Alaska First Media Inc., an Alaska corporation (in such capacity, the **Stalking Horse Bidder**), for the purposes of serving as the stalking horse bid (the **Stalking Horse Bid**) in respect of the Alaska Property (defined below).

For the avoidance of doubt, the implementation of the transaction contemplated by the Stalking Horse Agreement is conditional upon the Stalking Horse Bid being selected as a Successful Bid (as defined below) in respect of the Alaska Property (as defined below) in accordance with these bidding procedures (the **Bidding Procedures**), and approval of the Stalking Horse Agreement and the transaction contemplated therein.

All references to monetary amounts in these Bidding Procedures shall refer to United States dollars.

Set forth below are the procedures to be followed with respect to the Sale Process.

### **1 Summary of Sale Process**

- 1.1 The Sale Process is intended to solicit interest in, and opportunities for a sale of, all or part of the property, which primarily consists of radio stations, and related licenses and personal property, located in Alaska, Texas, and Arkansas.
- 1.2 To maximize interest and participation in this opportunity, the Sale Process will provide for:
  - (a) the sale of the interests of BTC USA Holdings Management, Inc., Frontier Media LLC, and Alaska Broadcast Communications Inc. in certain property located in or around Sitka, Ketchikan and Juneau, Alaska, and related rights and interests (the **Alaska Property**); and
  - (b) the sale of the interests of BTC USA Holdings Management Inc., Frontier Media LLC, and Alaska Broadcast Communications Inc. in certain property located in or around Texarkana, Hope, and New Boston, in Texas and Arkansas, and related rights and interests (the **Texas Property**, and, collectively with the Alaska Property, the **Property**).

- 1.3 The Receiver intends to conduct the marketing and Sale Process for the Alaska Property and Texas Property concurrently.
- 1.4 Except to the extent otherwise set forth in a determinative sale agreement with a successful bidder, any sale proposal will be on an "as is, where is" basis and without surviving representations or warranties of any kind, nature or description by the Receiver.
- 1.5 The Stalking Horse Agreement constitutes a Binding Offer and Qualified Bid (each as defined below) in respect of the Alaska Property under the Sale Process and will serve as the Stalking Horse Bid for the purposes of this Sale Process and the Bidding Procedures. The Stalking Horse Bidder shall have the right to participate in any Auction in respect of the Alaska Property. Notwithstanding the Stalking Horse Agreement and proposed transaction therein, all interested parties are encouraged to submit bids based on any form that they may elect to advance pursuant to the Sale Process, including as an *en bloc* or partial sale proposal. Copies of the Stalking Horse Agreement will be made available to all Qualified Bidders (as defined below). A form based on such agreement, to be uploaded to the VDR (as defined below), shall be used as the basis for any Binding Offer made in the Sale Process in respect of the Alaska Property. A separate form shall be uploaded to the VDR to be used as a basis for any Binding Offer made in the Sale Process in respect of the Texas Property.
- 1.6 The major stages of the Sale Process will be comprised of:
  - (a) **Marketing:** advertising, contacting potential buyers, responding to requests for information and disseminating marketing material to potential buyers;
  - (b) **Offer Submission and Evaluation:** solicitation, receipt of, evaluation and negotiation of offers from potential buyers;
  - (c) **Auctions:** to be held in respect of the Alaska Property and the Texas Property if competing offers are made for the respective Property; and
  - (d) **Approval:** seeking and receipt of Court approval by the Receiver in the Receivership Proceedings, followed by recognition by the US Court.
- 1.7 Subject to paragraph 4.9 below, the Receiver may at any time and from time to time modify, amend, vary or supplement the Bidding Procedures, without the need to obtain an order of the Court or provide notice to Participating Bidders, Binding Offer Bidders, Qualified Bidders, or the Successful Bidder(s) (each as defined below), provided that such modification, amendment, variation or supplement is (a) expressly limited to changes that do not alter, amend or prejudice the rights of such bidders (including the rights of the Stalking Horse Bidder, except with the authorization of the Stalking Horse Bidder) and (b) necessary or useful in order to give effect to the substance of the Sale Process, the Bidding Procedures or the Sale Process Order. Notwithstanding the foregoing, the dates or time limits indicated in the table contained below and elsewhere in these Bidding Procedures may be extended by the Receiver as the Receiver deems necessary or appropriate, acting reasonably, and in consultation with the Secured Creditor, without the requirement to obtain a further Court order.
- 1.8 The Receiver will, as soon as practicable, post on the Receiver's website and serve on the service list maintained in the Receivership Proceedings any such modification, amendment, variation or supplement to these Bidding Procedures and inform the bidders impacted by such modifications.
- 1.9 In the event of a dispute as to the interpretation or application of the Sale Process Order or the Bidding Procedures, the Court will have exclusive jurisdiction to hear and resolve such dispute. For the avoidance of doubt, all bidders shall be deemed to have consented to the jurisdiction of the Court in connection with any disputes relating to the Sale Process, including the qualification of

bids, the construction and enforcement of the Sale Process, and closing of a Successful Bid, as applicable.

## 2 Timeline

2.1 The following table sets out key milestones and anticipated deadlines for the Sale Process:

Milestone	Date
Commence solicitation of interest from parties, including delivering NDA and Teaser Letter, and upon execution of NDA (each as defined below), access to VDR	October 27, 2025
Binding Offer Deadline	December 9, 2025
<u>Alaska:</u> If no Qualified Bids are received other than the Stalking Horse Bid, selection of Stalking Horse Bid as the Successful Bid as Successful Bidder  <u>Texas:</u> If no competing Qualified Bids are received, selection of highest and best Qualifying Bid as Successful Bid	December 9, 2025
Hearing of Approval Application (defined below)	On or before January 30, 2026
Hearing of Recognition Motion (defined below)	On or before February 9, 2026
Closing of Successful Bids	As soon as possible following hearing of Approval Application and Recognition Order motion, but in any event, no later than March 31, 2026
<i>If multiple Qualified Bids are received for either or both Properties</i>	
Deadline to notify Qualified Bidders of Auction	December 10, 2025
Auction/s	December 15, 2025
Selection of Successful Bidder	December 16, 2025
Execution of Definitive Documents reflecting changes to Qualified Bid arising from Auction	December 19, 2025
Hearing of Approval Application	On or before January 30, 2026
Hearing of Recognition Order motion (defined below)	On or before February 9, 2026
Closing of Successful Bid	As soon as possible following hearing of Approval Application and Recognition Order motion, but in any event, no later than March 31, 2026

### 3 Solicitation of Interest

3.1 As soon as reasonably practicable, but, in any event, by no later than two (2) Business Days after the granting of the Sale Process Order:

- (a) the Receiver will prepare: (i) a teaser letter (the **Teaser Letter**) describing the opportunity, outlining the Sale Process and inviting recipients to express their interest; (ii) a non-disclosure agreement (**NDA**); and (iii) a confidential information memorandum (the **CIM**). The Teaser Letter, NDA and CIM shall be in a form and substance satisfactory to the Receiver. The CIM will specifically state that the Receiver and its respective advisors make no representation or warranty as to the accuracy or completeness of the information contained in the CIM and the VDR (defined below), or otherwise made available pursuant to the Sale Process, and further state that the Sale Process is limited to the sale of the Debtors' rights, interests and undertakings with respect to the Property.
- (b) the Receiver will prepare a list of potential bidders, including (i) parties that have approached the Receiver or the Debtors indicating an interest in the Property, and (ii) other parties that the Receiver believes may be interested in purchasing all or part of the Property, in each case whether or not such party has submitted a letter of intent or similar document (collectively, the **Known Potential Bidders**);
- (c) the Receiver will gather and review all required due diligence material to be provided to interested parties and shall establish a VDR (defined below), which will be maintained and administered by the Receiver during the Sale Process;
- (d) consistently with paragraph 1.5 herein, the Receiver will develop draft forms of asset purchase agreement for use during the Sale Process (the **APA**).

3.2 The Receiver will cause the Teaser Letter and NDA to be sent to each Known Potential Bidder by no later than two (2) Business Days after the granting of the Sale Process Order, and to any other party who requests a copy of the Teaser Letter and NDA or who is identified to the Receiver as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.

3.3 In addition to the foregoing, within five (5) Business Days after the granting of the Sale Order, the Receiver shall cause a notice or notices of the Sale Process (and such other relevant information which the Receiver considers appropriate) to be published on the Receiver's website and in the following media outlets:

- (a) Insolvency Insider;
- (b) Juneau Empire;
- (c) Texarkana Gazette.

3.4 A confidential virtual data room (the **VDR**) in relation to the Property will be made available by the Receiver to Participating Bidders (defined below). The VDR will include all documentary materials available regarding the Property that are reasonably likely to be relevant to Participating Bidders in their assessment of the Property, and shall include the Teaser Letter, the CIM, the Stalking Horse Agreement and the forms of APA to be used by Participating Bidders in making bids. The VDR shall be made available as soon as practicable following the granting of the Sale Process Order.

3.5 The Receiver may, in its discretion, limit the access of any Potential Bidder to any confidential information in the VDR where the Receiver reasonably determines that such access could

negatively impact the Sale Process, the ability to maintain the confidentiality of the information, the Property, or its value.

#### 4 Participation and Binding Offers

- 4.1 Any party who wishes to participate in the Sale Process (a **Potential Bidder**) must provide to the Receiver, at the addresses specified in Appendix 1 hereto (including by email transmission), in form and substance acceptable to the Receiver, (a) an NDA executed by it, (b) written confirmation of the identity of the Potential Bidder, (c) the contact information for such Potential Bidder, (d) full disclosure of the direct and indirect principals of the Potential Bidder, and (e) documentary evidence of such Potential Bidder's financial wherewithal and ability to consummate a sale or investment pursuant to the Sale Process, in the form of proof of cash-on-hand and/or unconditionally committed financing.
- 4.2 A Potential Bidder who, in the Receiver's judgment, has satisfied the requirements in paragraph 4.1, will be deemed a "**Participating Bidder**". All Participating Bidders will be granted access to the VDR (subject to paragraph 3.5 herein). The Stalking Horse Bidder is, and will be deemed to be, a Participating Bidder.
- 4.3 The Receiver and its respective advisors make no representation or warranty as to the information contained in the VDR, the CIM, the Teaser Letter, or otherwise made available pursuant to the Sale Process. Participating Bidders must rely solely on their own independent review, diligence, investigation and/or inspection of all information and of the Property in connection with their participation in the Sale Process and any transaction they enter into in respect thereof.
- 4.4 At any time during the Sale Process, the Receiver may, in its reasonable judgment, eliminate a Participating Bidder from the Sale Process, in which case such bidder will be eliminated and will no longer be a "Participating Bidder" for the purposes of the Sale Process.
- 4.5 The Receiver, shall, subject to competitive and other business considerations, afford each Participating Bidder such access to due diligence materials and information relating to the Property as the Receiver may deem appropriate. Any materials provided to a Participating Bidder at such Participating Bidder's request shall also be posted in the VDR, subject to Paragraphs 3.5 and 4.6. Due diligence access may include presentations, access to the VDR, on-site inspections, and other matters that a Participating Bidder may reasonably request and as to which the Receiver, in its reasonable judgment, may agree. Any access or interactions with the Debtors shall be coordinated through the Receiver.
- 4.6 The Receiver shall be solely responsible for coordinating and responding to all requests for information and due diligence access from Participating Bidders; Participating Bidders with such requests shall make them to the Receiver, in writing, at the addresses specified in Appendix 1 hereto (including by email transmission). The Receiver has no obligation to furnish any information relating to the Property to any person other than to Participating Bidders. Further, and for the avoidance of doubt, selected due diligence materials may be withheld from certain Participating Bidders if the Receiver determines such information to represent proprietary or sensitive competitive information.
- 4.7 Any Participating Bidder (other than the Stalking Horse Bidder) that wishes to make a formal offer to acquire all or substantially all of the Alaska Property or Texas Property (a **Binding Offer**) shall provide its Binding Offer in the form of the applicable template APA provided in the VDR, along with a marked version showing edits to the original template APA.
- 4.8 A Binding Offer will be considered a "**Qualified Bid**", and the Participating Bidder making such Binding Offer a "**Qualified Bidder**", if it:

- (a) in the case of the Alaska Property:
  - (i) provides net cash proceeds on closing that are not less than the aggregate total of: (a) the amount of cash payable under the Stalking Horse Agreement; and (b) \$100,000 (comprised of the "Break Fee", as defined in the Stalking Horse Agreement, and an additional overbid increment; and
- (b) in the case of the Alaska Property and the Texas Property, it:
  - (i) is submitted on or before the Binding Offer Deadline;
  - (ii) is made by way of a binding, definitive transaction document, consistently with Paragraph 4.7 herein, that is executed by the Participating Bidder;
  - (iii) is not subject to any financing condition, diligence condition or internal or board approval;
  - (iv) contains or identifies the key terms and provisions to be included in any Approval Order;
  - (v) includes acknowledgments and representations of the Participating Bidder that it: (i) has had an opportunity to conduct any and all due diligence regarding the Property prior to making its Binding Offer; (ii) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Property in making its Binding Offer; and (iii) has not relied upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Property, or the completeness of any information provided in connection therewith;
  - (vi) is accompanied by a letter that confirms that the Binding Offer: (i) may be accepted by the Receiver by countersigning the Binding Offer, and (ii) is irrevocable and capable of acceptance until the earlier of (A) two business days after the date of closing of the applicable Successful Bid (defined below); and (B) the Outside Date (defined below);
  - (vii) provides for any anticipated corporate, licensing, securityholder, legal or other regulatory approvals required to close the transaction;
  - (viii) does not provide for any break or termination fee, expense reimbursement or similar type of payment;
  - (ix) includes the specific purchase price in US dollars and a description of any non-cash consideration; and a description of the Property that is expected to be subject to the transaction and any of the Property expected to be excluded;
  - (x) is accompanied by a deposit in the amount of not less than 10% of the cash purchase price (the **Deposit**);
  - (xi) is accompanied by an acknowledgement that (i) if the Participating Bidder making such Binding Bid is selected as a Successful Bidder, that the Deposit will be held and dealt with as described in Section 7 below;
  - (xii) contemplates and reasonably demonstrates a capacity to consummate a closing of the transaction as soon as possible after the Approval Order and Recognition

Order are granted, and in any event no later than March 31, 2026 (the **Outside Date**); and

- (xiii) includes such other information as reasonably requested or identified in writing by the Receiver, prior to the Binding Bid Deadline as being necessary or required by the Receiver.
- 4.9 Without limiting Paragraph 1.7, the Receiver, in its reasonable judgment, may waive strict compliance with any one or more of the requirements specified above and designate a noncompliant Binding Offer as a Qualified Bid.

## 5 Selection of Successful Bidder

- 5.1 The Receiver may, following the receipt of any Binding Offer that is not a Qualified Bid, seek clarification with respect to any of the terms or conditions of such Binding Offer and/or request and negotiate one or more amendments to such Binding Offer prior to determining if the Binding Offer should be considered a Qualified Bid.
- 5.2 The Receiver will review and evaluate each Qualified Bid, in consultation with the Secured Creditor, taking into account the factors set out in Paragraph 4.8, including factors affecting the speed and certainty of closing, the value and nature of the consideration provided for in the Binding Offer (including any assumed liabilities), and any licensing, regulatory or legal approvals required to close the transactions. The cash consideration provided for in any Qualified Bid shall not be the only criteria on which Qualified Bids are evaluated, and the "highest and best" Qualifying Bid may not be the Qualifying Bid with the highest cash purchase price.
- 5.3 In the case of the Alaska Property:
  - (a) In the event that no Qualified Bid is received other than the Stalking Horse Bid, or any Qualified Bids received are determined by the Receiver to be inferior to the Stalking Horse Bid based on the considerations set out in Paragraph 5.2, then the Stalking Horse Bid shall be deemed the Successful Bid (as defined below), and the Receiver will promptly seek Court approval of the Stalking Horse Agreement and the transactions contemplated therein.
  - (b) In the event there is at least one Qualified Bid in addition to the Stalking Horse Bid received and such Qualified Bid is not determined by the Receiver to be inferior to the Stalking Horse Bid based on the considerations set out in Paragraph 5.2, then a Successful Bid will be identified through an auction (the **Auction**) in accordance with the procedure set out below.
- 5.4 In the case of the Texas Property, where multiple Qualified Bids are received and the Receiver determines, in its discretion and in consultation with the Secured Creditor, that an Auction would be beneficial to the Sale Process, then a Successful Bid will be identified through an Auction in accordance with the procedure set out below.
- 5.5 In the event that an Auction is required in accordance with the terms of these Bidding Procedures, it will be conducted in accordance with the procedures set forth in this paragraph:
  - (a) The Receiver shall be entitled to designate some or all Qualified Bidders (in addition to the Stalking Horse Bidder) as eligible to participate in the Auction, taking into account the relative terms of the Qualified Bids (including but not limited to purchase price) and the factors set out in Paragraph 5.2. Qualified Bidders who are invited to participate in the Auction are referred to as "**Auction Bidders**". For the avoidance of doubt, the Stalking Horse Bidder shall be an Auction Bidder.

- (b) Where the Receiver determines that an Auction shall be held for both the Alaska Property and the Texas Property, the Receiver may elect to hold a separate Auction for each Property. Where two Auctions are to be held, reference in the paragraphs that follow to "Auction" shall refer to either Auction generally, or both Auctions collectively, as applicable and as the context requires.
- (c) The Auction will commence at a time to be designated by the Receiver, on December 15, 2025, and may, in the discretion of the Receiver, be held virtually via videoconference, teleconference or such other reasonable means as the Receiver deems appropriate. The Receiver will consult with the parties permitted to attend the Auction to arrange for the Auction to be so held. Subject to the terms hereof, the Receiver may postpone the Auction.
- (d) Except as otherwise permitted in the Receiver's discretion, only the Receiver, the Auction Bidders, and the Secured Creditor, and, in each case, their respective professionals and representatives, will be permitted to attend the Auction.
- (e) Each Auction Bidder shall designate a single individual to be its representative and spokesperson for the purposes of the Auction, and shall participate in the Auction through such duly authorized representative.
- (f) Except as otherwise set forth herein, the Receiver may waive and/or employ and announce at the Auction additional rules that are reasonable under the circumstances for conducting the Auction, provided that such rules are:
  - (i) not inconsistent with the Receivership Order, the Sale Process Order, the Bidding Procedures, the *Bankruptcy and Insolvency Act*, or any order of the Court issued in connection with the Receivership Proceedings;
  - (ii) disclosed to each Auction Bidder; and
  - (iii) designed, by the Receiver, in its reasonable judgment, to result in the highest and otherwise best offer.
- (g) Each Auction Bidder participating in the Auction must confirm on the record, at the commencement of the Auction and again at the conclusion of the Auction, that it has not engaged in any collusion with the Debtors or any other person regarding the Sale Process. For greater certainty, communications between the Stalking Horse Bidder and the Receiver with respect to and in preparation of the Stalking Horse Agreement, the Sale Process and the Bidding Procedures will not represent collusion nor communications prohibited by this paragraph.
- (h) Prior to the Auction, the Receiver will identify the highest and best of the Qualifying Bid(s) received, and such Qualifying Bid(s) will constitute the opening bid for the purposes of the Auction (the **Opening Bid**). Subsequent bidding will continue in minimum increments valued at not less than \$100,000 cash in excess of the Opening Bid. Each Auction Bidder will provide evidence of its financial wherewithal and ability to consummate the transaction at the increased purchase price, if required by the Receiver.
  - (i) All Auction Bidders will have the right, at any time, to request that the Receiver announce, subject to any potential new bids, the then-current highest and best bid and, to the extent requested by any Auction Bidder, use reasonable efforts to clarify any and all questions such Auction Bidder may have regarding the Receiver's announcement of the then-current highest and best bid.

- (j) Each Auction Bidder will be given a reasonable opportunity to submit an overbid at the Auction to any then-existing overbids. The Auction will continue until the bidding has concluded and there is one remaining Auction Bidder. The Receiver shall determine which Auction Bidders have submitted the highest and best Binding Offer of the Auction (the **Successful Bid**, and the bidder making such Successful Bid, the **Successful Bidder**).
- (k) Upon selection of a Successful Bidder, if any, the Successful Bidder shall deliver to the Receiver an amended and executed transaction document that reflects their final bid and any other modifications submitted and agreed to during the Auction, on or before December 19, 2025.
- (l) Any bids submitted after the conclusion of the Auction will not be considered.
- (m) The Receiver shall be at liberty to modify or to set additional procedural rules for the Auction as it sees fit, including to conduct the Auction by way of written submissions.
- (n) A Successful Bid will be selected by no later than December 16, 2025 (or such later date immediately thereafter if the Auction is conducted and not completed in one day), and the completion and execution of definitive documentation in respect of such Successful Bid, as applicable, must be finalized and executed as soon as possible after the close of the Auction, and in any event, no later than December 19, 2025, which definitive documentation will provide that the Successful Bidder will use all reasonable efforts to close the proposed transaction by no later than the Outside Date, subject to the terms hereof.

## 6 Court Approval and Recognition

- 6.1 The Receiver will apply to the Court (the **Approval Application**) for one or more orders: (i) approving the Successful Bid(s) and authorizing the taking of such steps and actions and completing such transactions as are set out therein or required thereby; and (ii) granting a vesting (collectively, the **Approval Order(s)**). The Approval Application will be held on a date to be scheduled by the Receiver and confirmed by the Court in accordance with these Bidding Procedures. With the consent of the applicable Successful Bidder(s), the Approval Application may be adjourned or rescheduled by the Receiver without further notice, by an announcement of the adjourned date at the Approval Application or in a notice to the service list maintained in the Receivership Proceedings prior to the Approval Application. The Receiver will consult with the Successful Bidder regarding the motion material to be filed for the Approval Application.
- 6.2 All Binding Offers (other than the Successful Bid(s)) will be deemed rejected on and as of the date of the closing of the applicable Successful Bid(s), with no further or continuing obligation of the Receiver to any unsuccessful Binding Offer Bidders.
- 6.3 As soon as practicable after the Approval Order/s is granted, the Receiver, as foreign representative, shall obtain from the US Court an order recognizing the Approval Order/s in the United States (**Recognition Order**) in accordance with these Bidding Procedures.

## 7 Deposits

- 7.1 The Deposit(s):
  - (a) will, upon receipt from the Binding Offer Bidder(s), be retained by the Receiver and deposited in a non-interest-bearing trust account, and subsequently dealt with in accordance with subsections (b) and (c), below;
  - (b) received from the Successful Bidder(s), if any, will:

- (i) be applied to the purchase price to be paid by the applicable Successful Bidder whose Successful Bid is the subject of the Approval Order(s), upon closing of the approved transaction; and
- (ii) otherwise be held and refunded in accordance with the terms of the definitive documentation in respect of the applicable Successful Bid provided that all such documentation will provide that the Deposit will be retained by the Receiver and forfeited by the Successful Bidder, if its Successful Bid fails to close by the Outside Date and such failure is attributable to any failure or omission of the Successful Bidder to fulfil its obligations under the terms of its Successful Bid; and

- (c) received from a Binding Offer Bidder that is not a Successful Bidder will be fully refunded to the Binding Offer Bidder that paid the Deposit as soon as practical following the selection of the Successful Bidder.
- (d) Notwithstanding anything to the contrary herein, the Stalking Horse Bidder will not be required to provide a Deposit.

## **8 "As is Where is"**

- 8.1 Any sale (or sales) of the Property or portions thereof will be on an "as is, where is" basis except for representations and warranties that are customarily provided in purchase agreements for a company subject to receivership proceedings. Any such representations and warranties provided for in the definitive documents will not survive closing.

## **9 Vesting Free and Clear**

- 9.1 In the event of a sale, to the extent permitted by law, all of the rights, title and interests of the Debtors in and to the Property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests thereon and there against (collectively, the **Claims and Interests**), such Claims and Interests to attach to the net proceeds of the sale of such Property (without prejudice to any claims or causes of action regarding the priority, validity or enforceability thereof), except to the extent otherwise set forth in the relevant transaction documents with a Successful Bidder or the Approval Order.

## **10 Confidentiality and Access to Information**

- 10.1 For greater certainty, other than as required in connection with any Auction or Approval Application, the Receiver will not disclose: (a) the identity of any Potential Bidder or Qualified Bidder (other than the Stalking Horse Bidder); or (b) the terms of any bid or Binding Offer (other than the Stalking Horse Agreement), to any other bidder or any of its affiliates. Potential Bidders, Participating Bidders, Qualified Bidders and Auction Bidders (including, in each case, the Stalking Horse Bidder) and each of their respective affiliates shall not communicate with, or contact, directly or indirectly, any other Potential Bidder, Participating Bidder, Qualified Bidder, Auction Bidder, or their respective affiliates, or any secured creditors of the Debtors, without the express written consent of the Receiver (which consent may be refused in the Receiver's sole discretion), and such communications or discussions shall take place under the supervision of the Receiver. Nothing in this Paragraph 10.1 shall prohibit the Receiver from filing details of Potential Bidders, Participating Bidders, Qualified Bidders and Auction Bidders, or their respective Binding Offers and Qualified Bids, as part of a Receiver's Report in connection with the Approval Application, provided that the Receiver shall file any commercially sensitive or confidential information confidentially, with a request for a restricted court access order. Should the Court decline to grant a restricted court access order, the Receiver shall not be in breach of this Paragraph 10.1.

**11      Further Orders**

11.1 At any time during the Sale Process, the Receiver may apply to the Court for advice and directions with respect to any aspect of this Sale Process including, but not limited to, the continuation of the Sale Process or with respect to the discharge of its powers and duties hereunder.

**12      Additional Terms**

12.1 In addition to any other requirement of the Sale Process, any consent, approval or confirmation to be provided by the Stalking Horse Bidder or the Receiver is ineffective unless provided in writing and any approval required pursuant to the terms hereof is in addition to, and not in substitution for, any other approvals required by the *Bankruptcy and Insolvency Act* or as otherwise required at law in order to implement a Successful Bid. For the avoidance of doubt, a consent, approval or confirmation provided by email will be deemed to have been provided in writing for the purposes of this paragraph.

12.2 This Sale Process does not, and will not be interpreted to create any contractual or legal relationship between the Receiver and any other party, other than as specifically set forth in the NDA or any other definitive agreement executed.

12.3 Notwithstanding anything to the contrary herein, the Receiver shall have no liability whatsoever to any person or entity, including without limitation any Potential Bidder, Participating Bidder, Binding Offer Bidder, Qualified Bidder, Auction Bidder, Successful Bidder, or any other creditor or stakeholder, or the Debtors, as a result of implementation or otherwise in connection with this Sale Process, except to the extent that any such liabilities result from the gross negligence or wilful misconduct of the Receiver, as determined by the Court, and all such persons or entities shall have no claim against the Receiver in respect of the Sale Process for any reason whatsoever.

12.4 Participants in the Sale Process are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any Binding Offer, due diligence activities, and any other negotiations or other actions whether or not they lead to the consummation of a transaction.

**Appendix 1:**

**Address for Notice**

**Receiver**

FTI Consulting Canada Inc., in its capacity as Receiver of Local First Media Group Inc., Local First Properties Inc., BTC USA Holdings Management Inc., Local First Properties USA Inc., Alaska Broadcast Communications, Inc., Frontier Media LLC and Broadcast 2 Podcast, Inc.

520 5th Ave SW, Suite 1610

Calgary AB T2P 3R7

T: 403.454.6036

E: [lindsay.shierman@fticonsulting.com](mailto:lindsay.shierman@fticonsulting.com)

Attn: Lindsay Shierman, Managing Director

COURT FILE NUMBER 2501-01744  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
PLAINTIFF ATB FINANCIAL  
DEFENDANTS LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC., FRONTIER MEDIA LLC and BROADCAST 2 PODCAST, INC.  
APPLICANT FTI CONSULTING CANADA INC., solely in its capacity as Court-appointed Receiver and Manager of the current and future assets, undertakings and properties of LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC., FRONTIER MEDIA LLC and BROADCAST 2 PODCAST, INC.  
DOCUMENT ORDER  
**Re Sale Process Approval**

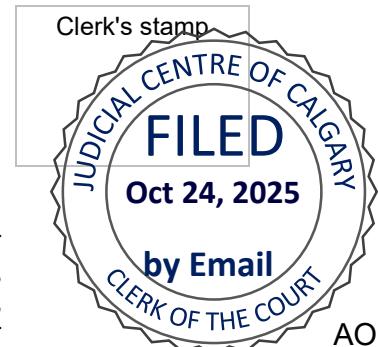
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
Norton Rose Fulbright Canada LLP  
400 3rd Avenue SW, Suite 3700  
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Gunnar Benediktsson / Meghan L. Parker  
gunnar.benediktsson@nortonrosefulbright.com  
meghan.parker@nortonrosefulbright.com  
Tel: +1 403.267.8222  
Fax: +1 403.264.5973  
  
Lawyers for FTI Consulting Canada Inc.  
File no.: 1001336442

---

DATE ON WHICH ORDER WAS PRONOUNCED: October 23, 2025  
LOCATION OF HEARING: Edmonton, Alberta (via WebEx)  
NAME OF JUSTICE WHO GRANTED THIS ORDER: The Honourable Justice Dunlop

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**UPON** the application of FTI Consulting Canada Inc., in its capacity as Court-appointed receiver and manager (the **Receiver**) of the current and future assets, undertakings and properties of Local First Media Group Inc., Local First Properties Inc., BTC USA Holdings Management Inc., Local First Properties USA Inc., Alaska Broadcast Communications, Inc., Frontier Media LLC and Broadcast 2 Podcast, Inc., for an Order approving (i) the sale process attached hereto as Schedule 1 (the **Sale Process**) and in duplicate at



Appendix "A" to the Receiver's First Report, and (ii) and the Asset Purchase Agreement dated October 16, 2025, between Alaska First Media Inc., an Alaska corporation (**Alaska First**), as buyer, and the Receiver, as seller, which is attached as Appendix "B" to the Receiver's First Report (the **Stalking Horse Agreement**);

**AND UPON** having read the Application and the First Report of the Receiver, dated October 16, 2025 (the **First Report**), and the Affidavit of Service, all filed;

**AND UPON** hearing counsel for the Receiver and any other parties that may be present;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

***Definitions and Service***

- 1 Capitalized terms not otherwise defined take their meaning from the Sale Process.
- 2 The time for service of this Application and all supporting materials is hereby abridged, if necessary.

***Approval of the Sale and Investment Solicitation Process***

- 3 The Sale Process (subject to any amendments thereto that may be made in accordance with the terms therewith and with this Order) is hereby approved and the Receiver is hereby authorized and directed to implement the Sale Process pursuant to the terms thereof. The Receiver is hereby authorized and directed to take any and all actions as may be necessary or desirable to implement and carry out the Sale Process in accordance with its terms and this Order.
- 4 The Receiver and its respective affiliates, partners, directors, officers, employees, counsel, representatives, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to any Person in connection with or as a result of implementing or otherwise in connection with the Sale Process, except to the extent such losses, claims, damages or liabilities that arise or result from their respective gross negligence or wilful misconduct, as applicable, as determined by this Court in a final order that is not subject to appeal or other review.

***Approval of the Stalking Horse Agreement***

- 5 The Receiver's entry into the Stalking Horse Agreement is hereby ratified and approved.
- 6 The Stalking Horse Agreement is hereby approved and accepted solely for the purposes of being the Stalking Horse Bid under the Sale Process, provided that nothing herein approves the transactions contemplated in the Stalking Horse Bid, and the approval of any transactions contemplated by the Stalking Horse Agreement shall be considered by this Court on a subsequent application made to this Court if the Stalking Horse Agreement is the Successful Bid pursuant to the Sale Process.

- 7 The Break Fee is hereby approved and the Receiver is hereby authorized and directed to pay the Break Fee to the Stalking Horse Bidder to the extent the Stalking Horse Bid is not the Successful Bid, subject to and in accordance with the terms of the Sale Process.
- 8 The Receiver and its respective advisors are hereby authorized and permitted to disclose and transfer to Participating Bidders and their respective advisors personal information of identifiable individuals (**Personal Information**), records pertaining to Debtors' past and current employees, and information on specific customers, but only in accordance with the terms of the Sale Process and to the extent desirable or required to negotiate or attempt to complete a transaction under the Sale Process (a **Transaction**). Each Participating Bidder to whom such Personal Information is disclosed shall maintain and protect the privacy of such Personal Information and limit the use of such Personal Information to its evaluation of a Transaction, and, if it does not complete a Transaction, shall return all such information to the Receiver or, in the alternative, destroy all such information and provide confirmation of its destruction if requested by the Receiver. The Successful Bidder(s) shall maintain and protect the privacy of such information and, upon closing of the Transaction(s) contemplated in the Successful Bid(s), shall be entitled to use the personal information provided to it that is related to the Property acquired pursuant to the Sale Process in a manner that is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed and provide confirmation of its destruction if requested by the Receiver.

***General***

- 9 The Receiver may, from time to time, apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of its powers and duties under this Order or in the interpretation of this Order.
- 10 This Order shall have full force and effect in all provinces and territories in Canada.
- 11 This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, or any other foreign jurisdiction, to give effect to this Order and to assist the Receiver and its respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.

12 The Receiver shall be at liberty, and is hereby authorized and empowered, to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

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

(a) Serving the same on:

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

(b) (b) Posting a copy of this Order on the Monitor's website at:  
<http://cfcanaada.fticonsulting.com/LocalFirst/>

and service on any other person is hereby dispensed with.

14 Service of this Order by e-mail, facsimile, courier, regular mail or personal delivery shall constitute good and sufficient service of this Order.



Justice of the Court of King's Bench of Alberta

SCHEDULE 1

SALE PROCESS

COURT FILE NUMBER 2501-01744 Clerk's stamp

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF ATB FINANCIAL

DEFENDANTS LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC., FRONTIER MEDIA LLC and BROADCAST 2 PODCAST, INC.

APPLICANT FTI CONSULTING CANADA INC., solely in its capacity as Court-appointed Receiver and Manager of the current and future assets, undertakings and properties of LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC., FRONTIER MEDIA LLC and BROADCAST 2 PODCAST, INC.

DOCUMENT **APPLICATION RE SALE APPROVAL**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Norton Rose Fulbright Canada LLP 400 3rd Avenue SW, Suite 3700

Calgary, Alberta T2P 4H2 CANADA

Gunnar Benediktsson / Meghan L. Parker  
gunnar.benediktsson@nortonrosefulbright.com  
meghan.parker@nortonrosefulbright.com  
Tel: +1 403.267.8222  
Fax: +1 403.264.5973

Lawyers for FTI Consulting Canada Inc.  
File no.: 1001336442

#### **NOTICE TO RESPONDENTS**

This application is made against you. You are a respondent. You have the right to state your side of this matter before the Court.

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

Date: January 20, 2026

Time: 3:30 P.M.

Where: Calgary, Alberta

Before Whom: The Honourable Justice Johnston, via WebEx  
(<https://albertacourts.webex.com/meet/virtual.courtroom60>)

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

**Remedy claimed or sought:**

- 1 FTI Consulting Canada Inc., in its capacity as Court-appointed receiver and manager (**FTI**, or the **Receiver**) of the current and future assets, undertakings and properties of Local First Media Group Inc., Local First Properties Inc., BTC USA Holdings Management Inc., Local First Properties USA Inc., Alaska Broadcast Communications, Inc., Frontier Media LLC and Broadcast 2 Podcast, Inc. (the **Debtors**), seeks a sale approval and vesting order, substantially in the form attached hereto as **Schedule “A” (SAVO)**, approving the sale and vesting of assets in the purchaser, Alaska First Media Inc. (**Alaska First**, or the **Purchaser**), pursuant to the stalking horse asset purchase agreement (the **Sale Agreement**) presented to and approved by the Court on October 23, 2025.
- 2 A blackline of the SAVO against the Court of King's Bench template receivership sale order may be found at **Schedule “B”**.

**Grounds for making this application:**

**Background**

- 3 The Debtors consist of Canadian companies with United States (**US**) affiliates operating radio stations in the US. Together, the Debtors own certain radio stations, the associated equipment and other personal property required to operate the radio stations, and certain real estate and associated improvements, including buildings and cell towers, in Alaska and Texarkana.
- 4 The Debtors' major secured creditor is ATB Financial (**ATB**), which extended credit facilities and related services to the Debtors as borrowers and/or guarantors pursuant to a commitment letter dated April 10, 2023 (the **Commitment Letter**). On or about November 24, 2023, ATB and the Debtors entered into a forbearance agreement whereby ATB agreed to temporarily forbear from exercising its rights against the Debtors in exchange for certain covenants and agreements contained therein, including the agreement for a consent receivership order (the **Forbearance Agreement**). On February 10, 2025, following the Debtors' defaults under the Commitment Letter and Forbearance Agreement, ATB filed an application to appoint a receiver.
- 5 On February 21, 2025, FTI was appointed as Receiver of the current and future assets, undertakings and properties of the Debtors pursuant to an Order granted by the Honourable Justice M. J. Lema (the **Receivership Order**).
- 6 Because the Debtors carry on cross-border business and operations, the Receiver filed petitions on behalf of the Debtors for relief pursuant to Chapter 15 of the United States *Bankruptcy Code* (the **US Bankruptcy Code**). On July 8, 2025, the US Bankruptcy Court for the Eastern District of Texas, Texarkana Division (the **US Court**), entered an Order Granting Petition for Recognition as Foreign Main Proceeding Pursuant to Sections 1517 and 1520 of the US Bankruptcy Code and

Related Relief (**Recognition Order**), which recognized the Receiver as foreign representative under Chapter 15 of the US Bankruptcy Code.

- 7 Management of the Debtors has remained in place in order to ensure the viability of ongoing operations, including by ensuring the various Federal Communications Commission (**FCC**) licenses associated with the assets remain in good standing. As such, the Receiver has and continues to work with the Debtors to maximize the value of their business and operations for their creditors and stakeholders, but has not taken possession and control of the Debtors' assets.
- 8 On October 23, 2025, the Receiver attended Court seeking a sale process approval order which, among other things, approved the Sale Agreement as stalking horse bid and approved the sale process attached as Schedule 1 thereto (the **Sale Process**).
- 9 The Sale Process contemplated the parallel marketing and sale of suites of assets located in Alaska and Texarkana (the **Alaska Property** and **Texas Property**, respectively), with a bid deadline of December 9, 2025 and an option to run an auction should competing bids arise and the Receiver deem it appropriate to do so.
- 10 In respect of the Alaska Property, the Receiver had been approached by the principal of Alaska First, on June 30, 2025, with a letter of intent for the purchase and sale of said property. Following negotiations between the parties, Alaska First agreed to act as stalking horse bidder for the purposes of the Alaska Property and the Sale Process, and subsequently executed the Sale Agreement.
- 11 The Sale Agreement contemplates the purchase of the Alaska Property for a total purchase price of USD \$1,280,797.59, comprised of USD \$380,797.59 for the radio stations and related assets, and USD \$900,000 for the real property.
- 12 The Receiver conducted the Sale Process as contemplated. In the result, no competing offers were received in respect of the Alaska Assets. Accordingly, Alaska First was accepted as the successful bidder, and the Receiver now seeks approval of the Sale Agreement.
- 13 Multiple offers were received for the Texas Assets. The Receiver held numerous discussions with bidders for the Texas Assets following the December 9, 2025 offer deadline, and is currently working with the highest bidder to advance documentation associated with acquiring the Texas Assets. The Receiver will return to Court to seek approval of that, or any other, transaction in relation to the Texas Assets in due course.

**Conclusion**

- 14 The relief sought in the Sale Process Order is appropriate.
- 15 The provisions of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, the *Judicature Act*, RSA 2000, c J-2, and the equitable jurisdiction of this Court permit the granting of the SAVO. The Receiver understands the fulcrum secured creditor of the Debtors, ATB, supports the relief being sought.
- 16 Such further and other grounds as counsel may advise and this Court may permit.

**Material or evidence to be relied on:**

- 17 The Receivership Order.
- 18 The First Report of the Receiver, dated October 16, 2025.
- 19 The Second Report of the Receiver, filed in support of this Application.
- 20 Such further and other materials as counsel may advise and this Honourable Court may permit.

**Applicable rules:**

- 21 Rules 6.3(1) and 6.9(1) of the *Rules of Court*, Alta. Reg. 124/2010.
- 22 Such further and other Rules as counsel may advise and this Honourable Court may permit.

**Applicable Acts and regulations:**

- 23 The *Bankruptcy and Insolvency Act*, RSC 1985, c B-3.
- 24 Such further and other Acts and regulations as counsel may advise and this Honourable Court may permit.

**Any irregularity complained of or objection relied on:**

- 25 There are no irregularities complained of or objections relied on.

**How the application is proposed to be heard or considered:**

26 Before the Honourable Justice Dunlop on the Commercial List.

AFFIDAVIT EVIDENCE IS REQUIRED IF YOU WISH TO OBJECT.

**WARNING**

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

# Schedule A

COURT FILE NUMBER	2501-01744	Clerk's stamp
COURT	COURT OF KING'S BENCH OF ALBERTA	
JUDICIAL CENTRE	CALGARY	
PLAINTIFF	ATB FINANCIAL	
DEFENDANTS	LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC., FRONTIER MEDIA LLC and BROADCAST 2 PODCAST, INC.	
APPLICANT	FTI CONSULTING CANADA INC., solely in its capacity as Court-appointed Receiver and Manager of the current and future assets, undertakings and properties of LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC., FRONTIER MEDIA LLC and BROADCAST 2 PODCAST, INC.	
DOCUMENT	<b>ORDER</b> <b>Re Sale Approval and Vesting Order</b>	

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Norton Rose Fulbright Canada LLP  
400 3rd Avenue SW, Suite 3700  
Calgary, Alberta T2P 4H2 CANADA

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Tel: +1 403.267.8222  
Fax: +1 403.264.5973

Lawyers for FTI Consulting Canada Inc.  
File no.: 1001336442

---

DATE ON WHICH ORDER WAS PRONOUNCED: January 20, 2026

LOCATION OF HEARING: Calgary, Alberta (via WebEx)

NAME OF JUSTICE WHO GRANTED THIS ORDER: The Honourable Justice Johnston

---

**UPON THE APPLICATION** of FTI Consulting Canada Inc., in its capacity as Court-appointed receiver and manager (the **Receiver**) of the current and future assets, undertakings and properties of Local First Media Group Inc., Local First Properties Inc., BTC USA Holdings Management Inc., Local First Properties USA Inc., Alaska Broadcast Communications, Inc., Frontier Media LLC and Broadcast 2 Podcast, Inc. (the **Debtors**) for an order approving the sale transaction (the **Transaction**) contemplated by a stalking horse

asset purchase agreement (the **Sale Agreement**) between the Receiver, as Receiver, BTC USA Holdings Management, Inc., Frontier Media, LLC, and Alaska Broadcast Communications Inc., as sellers (the **Sellers**) and Alaska First Media Inc., as purchaser (the **Purchaser**) dated October 16, 2025 and appended to the First Report of the Receiver, dated October 16, 2025 (**First Report**), and vesting in the Purchaser (or its nominee) the Sellers' right, title and interest in and to the Licenses, Real Property, Tangible Personal Property, Records, Call Letters, Assumed Contracts, Accounts Receivable, and Intellectual Property, all as defined and described in the Sale Agreement (the **Purchased Assets**);

**AND UPON** noting the Receivership Order of Justice Lema, dated February 21, 2025;

**AND UPON** noting the Order of Justice Dunlop, dated October 23, 2025, approving the sale process prepared by the Receiver and attached as Schedule 1 thereto (the **Sale Process**), and approving and accepting the Sale Agreement solely for the purposes of being a stalking horse bid under the Sale Process; AND UPON noting that the Receiver proceeded to administer the Sale Process and that no offers were received for the Purchased Assets which were, in the aggregate, equal or greater than the purchase price proposed to be paid as stipulated in the Sale Agreement;

**AND UPON** reading the First Report, and the Application of the Receiver, dated January 12, 2026, together with the Second Report of the Receiver and the Affidavit of Service, all filed;

**AND UPON** hearing counsel for the Receiver and any other parties that may be present;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

***Service and Definitions***

- 1 Service of notice of this application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.
- 2 Capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the Sale Agreement.

***Approval of Transaction***

- 3 The Transaction and Sale Agreement are commercially reasonable and in the best interest of the Debtors and their stakeholders. The Transaction and Sale Agreement are hereby approved and execution of the Sale Agreement by the Receiver and the Sellers is hereby authorized and approved, with such minor amendments as the Parties, with the consent of the Receiver, may deem necessary. The Receiver and Sellers are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for completion of the Transaction and conveyance of the Purchased Assets to the Purchaser (or its nominee).

***Vesting of Property***

- 4 Upon delivery of a Receiver's certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule "A"** hereto (the **Receiver's Closing Certificate**), all of the Debtors' right, title

and interest in and to the Purchased Assets hereto shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (other than those claims and interests provided for in the Sale Agreement that remain with either of the Sellers or the Purchaser, and as noted at paragraph 5 herein) (collectively, **Claims**), including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Receivership Order;
- (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system in Canada, the United States, or elsewhere; and
- (c) any liens or claims of lien under the *Builders' Lien Act* (Alberta) or any other builders' lien legislation in Canada, the United States, or elsewhere,

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

5 For greater certainty, the Assumed Liabilities, the Alaska Employment-Related Liabilities, and any cure costs associated with the Assumed Contracts, as defined and described in the Sale Agreement, shall become obligations of the Purchaser upon Closing, and any person having a Claim associated with such obligations shall no longer have a Claim against the Sellers, but shall have an equivalent Claim against the Purchaser.

6 Upon delivery of the Receiver's Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, **Governmental Authorities**) are hereby authorized, requested and directed to accept delivery of such Receiver's Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser or its nominee clear title to the Purchased Assets. Without limiting the foregoing:

- (a) the Registrar of the Alberta Personal Property Registry (the **PPR Registrar**) shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests in the estate or interest of the Debtors in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.

- 7 In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Receiver's Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims.
- 8 No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Sale Agreement.
- 9 For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets from and after delivery of the Receiver's Closing Certificate and all Claims shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. Unless otherwise ordered (whether before or after the date of this Order), the Receiver shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets without further order of this Court, provided however the Receiver may apply any part of such net proceeds to repay any amounts the Receiver has borrowed for which it has issued a Receiver's Certificate pursuant to the Receivership Order.
- 10 Except as expressly provided for in the Sale Agreement, section 5 of the Alberta *Employment Standards Code*, or any equivalent legislation in Canada, the United States, or elsewhere, including, but not limited to, liability of any kind or character or character under any theory of federal, state, local, antitrust, environmental, tax, pension, labour, employment, or other law, rule, or regulation of the United States (other than the Assumed Liabilities and Alaska Employment-Related Liabilities), the Purchaser (or its nominee) shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtors.
- 11 Upon completion of the Transaction, the Debtors and all persons who claim by, through or under the Debtors in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain

in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).

- 12 The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtors, or any person claiming by, through or against the Debtors.
- 13 The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate forthwith after delivery thereof to the Purchaser (or its nominee).
- 14 Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada) and section 20(e) of the *Alberta Personal Information Protection Act*, and any other applicable legislation in relation to the protection of personal information in the United States or elsewhere, the Receiver is authorized and permitted to disclose and transfer to the Purchaser (or its nominee) all human resources and payroll information in the Debtors' records pertaining to the Debtors' past and current employees. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use (of such information) to which the Debtors were entitled.

#### ***Miscellaneous Matters***

- 15 Notwithstanding:
  - (a) the pendency of these proceedings and any declaration of insolvency made herein;
  - (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended (the **BIA**), in respect of the Debtors, and any bankruptcy order issued pursuant to any such applications;
  - (c) any assignment in bankruptcy made in respect of the Debtors; and
  - (d) the provisions of any federal or provincial statute:

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

nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

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

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

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

(a) Serving the same on:

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

(b) (b) Posting a copy of this Order on the Monitor's website at:  
<http://cfcanaada.fticonsulting.com/LocalFirst/>

and service on any other person is hereby dispensed with.

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

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Justice of the Court of King's Bench of Alberta

SCHEDULE A: FORM OF RECEIVER'S CERTIFICATE

COURT FILE NUMBER	2501-01744	Clerk's stamp
COURT	COURT OF KING'S BENCH OF ALBERTA	
JUDICIAL CENTRE	CALGARY	
PLAINTIFF	ATB FINANCIAL	
DEFENDANTS	LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC., FRONTIER MEDIA LLC and BROADCAST 2 PODCAST, INC.	
APPLICANT	FTI CONSULTING CANADA INC., solely in its capacity as Court-appointed Receiver and Manager of the current and future assets, undertakings and properties of LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC., FRONTIER MEDIA LLC and BROADCAST 2 PODCAST, INC.	
DOCUMENT	<b>RECEIVER'S CERTIFICATE</b>	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Norton Rose Fulbright Canada LLP 400 3rd Avenue SW, Suite 3700 Calgary, Alberta T2P 4H2 CANADA  Gunnar Benediktsson / Meghan L. Parker gunnar.benediktsson@nortonrosefulbright.com meghan.parker@nortonrosefulbright.com Tel: +1 403.267.8222 Fax: +1 403.264.5973  Lawyers for FTI Consulting Canada Inc. File no.: 1001336442	

**RECITALS**

A. Pursuant to an Order of the Honourable Justice Lema of the Court of King's Bench of Alberta, Judicial District of Calgary (the **Court**) dated February 21, 2025, FTI Consulting Canada Inc. was appointed as the receiver (the Receiver) of the undertakings, property and assets of Local First Media Group Inc., Local First Properties Inc., BTC USA Holdings Management Inc., Local First Properties USA Inc., Alaska Broadcast Communications, Inc., Frontier Media LLC and Broadcast 2 Podcast, Inc. (the **Debtors**).

B. Pursuant to an Order of the Court dated January 20, 2026, the Court approved the agreement of purchase and sale made as of October 16, 2025 (the **Sale Agreement**) between the Receiver and Alaska First Media Inc. (the **Purchaser**) and provided for the vesting in the Purchaser of the Debtors' right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section 8 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

**THE RECEIVER CERTIFIES** the following:

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

**FTI Consulting Canada Inc., in its capacity as Receiver of the undertakings, property and assets of Local First Media Group Inc., Local First Properties Inc., BTC USA Holdings Management Inc., Local First Properties USA Inc., Alaska Broadcast Communications, Inc., Frontier Media LLC and Broadcast 2 Podcast, Inc., and not in its personal capacity.**

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

# Schedule B

COURT FILE NUMBER	<u>2501-01744</u>	Clerk's <u>S</u> stamp
COURT	COURT OF <del>QUEEN'S</del> <u>KING'S</u> BENCH OF ALBERTA	
JUDICIAL CENTRE	<u>CALGARY</u>	
PLAINTIFF	<u>ATB FINANCIAL</u>	
DEFENDANTS <u>S</u>	<u>LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC., FRONTIER MEDIA LLC and BROADCAST 2 PODCAST, INC.</u>	
APPLICANT	<u>FTI CONSULTING CANADA INC., solely in its capacity as Court-appointed Receiver and Manager of the current and future assets, undertakings and properties of LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC., FRONTIER MEDIA LLC and BROADCAST 2 PODCAST, INC.</u>	
DOCUMENT	<u>APPROVAL AND VESTING ORDER</u> <u>(Re Sale BY RECEIVER)</u> <u>Approval and Vesting Order</u>	

ADDRESS FOR SERVICE  
AND CONTACT  
INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

Norton Rose Fulbright Canada LLP  
400 3rd Avenue SW, Suite 3700  
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Gunnar Benediktsson / Meghan L. Parker  
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Tel: +1 403.267.8222  
Fax: +1 403.264.5973

Lawyers for FTI Consulting Canada Inc.  
File no.: 1001336442

DATE ON WHICH ORDER WAS PRONOUNCED: 20.01.2026 January

~~LOCATION WHERE ORDER WAS PRONOUNCED:~~ Calgary, Alberta (via WebEx)

LOCATION OF HEARING:

NAME OF JUSTICE WHO **MADE GRANTED** THIS ORDER:

The Honourable Justice Johnston

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**UPON THE APPLICATION** by **[Receiver's Name]** of FTI Consulting Canada Inc., in its capacity as **the** Court-appointed **[Receiver]** receiver and manager **[ ]** (the "Receiver") of the **undertakings, property and assets of [Debtor]** (the "current and future assets, undertakings and properties of Local First Media Group Inc., Local First Properties Inc., BTC USA Holdings Management Inc., Local First Properties USA Inc., Alaska Broadcast Communications, Inc., Frontier Media LLC and Broadcast 2 Podcast, Inc. (the **Debtors**")) for an order approving the sale transaction (the "Transaction") contemplated by **an agreement of a stalking horse asset purchase and sale agreement** (the "Sale Agreement") between the Receiver and **[Name of Purchaser]** (the "Purchaser") dated **[Date]**, as Receiver, BTC USA Holdings Management, Inc., Frontier Media, LLC, and Alaska Broadcast Communications Inc., as sellers (the **Sellers**) and Alaska First Media Inc., as purchaser (the **Purchaser**) dated October 16, 2025 and appended to the **First** Report of the Receiver, dated **[Date]** (the "October 16, 2025 (First Report)"), and vesting in the Purchaser (or its nominee)<sup>+</sup> the **Debtors****Sellers'** right, title and interest in and to the **assets****Licenses, Real Property, Tangible Personal Property, Records, Call Letters, Assumed Contracts, Accounts Receivable, and Intellectual Property, all as defined and** described in the Sale Agreement (the "Purchased Assets");

**AND UPON** noting the Receivership Order of Justice Lema, dated February 21, 2025;

**AND UPON** noting the Order of Justice Dunlop, dated October 23, 2025, approving the sale process prepared by the Receiver and attached as Schedule 1 thereto (the **Sale Process**), and approving and accepting the Sale Agreement solely for the purposes of being a stalking horse bid under the Sale Process; **AND UPON** noting that the Receiver proceeded to administer the Sale Process and that no offers were received for the Purchased Assets which were, in the aggregate, equal or greater than the purchase price proposed to be paid as stipulated in the Sale Agreement;

**AND UPON HAVING READ** the Receivership Order dated **[Date]** (the "Receivership Order"), the Report and the Affidavit of Service; **AND UPON HEARING** the submissions of counsel for the Receiver, the Purchaser **[Names of other parties appearing]**, no one appearing for any other person on the service list, although properly served as appears from reading the First Report, and the Application of the Receiver, dated January 12, 2026, together with the Second Report of the Receiver and the Affidavit of Service, **all** filed;

**AND UPON** hearing counsel for the Receiver and any other parties that may be present;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

**SERVICE** Service and Definitions

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<sup>+</sup> Ensure that there are no legal obstacles to the vesting of assets in a nominee (for example competition and anti-trust law). Should land be transferred and vested in a nominee, the Registrar of Land Titles requires the Purchaser to complete a Certificate of Nomination (which needs to be signed under seal if the Purchaser is a corporation. If the Purchaser is an individual, the signature needs to be witnessed with an affidavit of execution completed.)

1 ~~1.~~ Service of notice of this application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.<sup>2</sup>

2 ~~Capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the Sale Agreement.~~

**~~APPROVAL OF TRANSACTION~~** Approval of Transaction

3 ~~2.~~ The Transaction ~~is and Sale Agreement are commercially reasonable and in the best interest of the Debtors and their stakeholders. The Transaction and Sale Agreement are~~ hereby approved<sup>3</sup> and execution of the Sale Agreement by the Receiver ~~and the Sellers~~ is hereby authorized and approved, with such minor amendments as the Parties, with the consent of the Receiver, ~~may deem necessary. The Receiver is and Sellers are~~ hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for completion of the Transaction and conveyance of the Purchased Assets to the Purchaser (or its nominee).

**~~VESTING OF PROPERTY~~** Vesting of Property

4 ~~3. [Subject only to approval by the Alberta Energy Regulator ("Energy Regulator") of transfer of any applicable licenses, permits and approvals pursuant to section 24 of the Oil and Gas Conservation Act (Alberta) and section 18 of the Pipeline Act (Alberta)]<sup>4</sup> Upon delivery of a Receiver's certificate to the Purchaser (or its nominee) substantially in the form set out in Schedule "A" hereto (the "Receiver's Closing Certificate"), all of the Debtor's right, title and interest in and to the Purchased Assets [listed in Schedule "B"]<sup>5</sup> hereto] shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties,~~

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<sup>2</sup> ~~Ensure that the application and supporting materials are served on all affected parties including those whose interests will be vested off.~~

<sup>3</sup> ~~In some cases, notably where this Order may be relied upon for proceedings in the United States, a finding that the Transaction is commercially reasonable and in the best interests of the Debtor and its stakeholders may be necessary. Evidence should be filed to support such a finding. If supported by evidence, the following sentence could be added at the beginning of paragraph 2: "The Transaction and Sale Agreement are commercially reasonable and in the best interest of the Debtor and its stakeholders."~~

<sup>4</sup> ~~This bracketed clause, paragraph 4(b) and the bracketed words at the end of paragraph 6 are included when the Purchased Assets include mineral interests in land.~~

<sup>5</sup> ~~To allow this Order to be free standing (and not require reference to the Court record and/or the Sale Agreement), it may be preferable that the Purchased Assets be specifically described in a Schedule B.~~

options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (other than those claims and interests provided for in the Sale Agreement that remain with either of the Sellers or the Purchaser, and as noted at paragraph 5 herein) (collectively, “Claims”)<sup>6</sup> including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Receivership Order;
- (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system in Canada, the United States, or elsewhere; and
- (c) any liens or claims of lien under the *Builders’ Lien Act* (Alberta); and or any other builders’ lien legislation in Canada, the United States, or elsewhere.
- (d) ~~those Claims listed in Schedule “C” hereto (all of which are collectively referred to as the “Encumbrances”, which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in Schedule “D” (collectively, “Permitted Encumbrances”))~~

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

5 For greater certainty, the Assumed Liabilities, the Alaska Employment-Related Liabilities, and any cure costs associated with the Assumed Contracts, as defined and described in the Sale Agreement, shall become obligations of the Purchaser upon Closing, and any person having a Claim associated with such obligations shall no longer have a Claim against the Sellers, but shall have an equivalent Claim against the Purchaser.

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<sup>6</sup> ~~The “Claims” being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims may, in some cases, continue as against the net proceeds from sale of the claimed assets. In other cases, the ownership claimant may object to its ownership interest being vested out of the claimed assets. For example, it is not clear that vesting orders can vest out overriding royalties or restrictive covenants which are interests in land. (In *Third Eye Capital Corp. v Dianor Resources Inc.*, 2018 ONCA 253 at paragraphs 108-130 the Ont. C.A. requested further argument regarding whether an overriding royalty which is an interest in land may nevertheless be vested out.) Similarly, other claimed rights, titles or interests may potentially be vested out if the Court is advised what rights are being affected and the affected persons are served. The Committee agrees with the view of the Ontario Committee that a non-specific vesting out of “rights, titles and interests” is vague and therefore undesirable.~~

6 **4.** Upon delivery of the Receiver's Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Receiver's Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser or its nominee clear title to the Purchased Assets ~~subject only to Permitted Encumbrances~~. Without limiting the foregoing:

(a)<sup>7</sup> ~~the Registrar of Land Titles ("Land Titles Registrar") for the lands defined below shall and is hereby authorized, requested and directed to forthwith:~~

(i) ~~cancel existing Certificates of Title No. \* for those lands and premises municipally described as \*, and legally described as:~~

\*

(ii) ~~issue a new Certificate of Title for the Lands in the name of the Purchaser (or its nominee), namely, \*;~~

(iii) ~~transfer to the New Certificate of Title the existing instruments listed in Schedule "D", to this Order, and to issue and register against the New Certificate of Title such new caveats, utility rights of ways, easements or other instruments as are listed in Schedule "D"; and~~

(iv) ~~discharge and expunge the Encumbrances listed in Schedule "C" to this Order and discharge and expunge any Claims including Encumbrances (but excluding Permitted Encumbrances) which may be registered after the date of the Sale Agreement against the existing Certificate of Title to the Lands;~~

(b)<sup>8</sup> ~~Alberta Energy ("Energy Ministry") shall and is hereby authorized, requested and directed to forthwith:~~

(v) ~~cancel and discharge those Claims including builders' liens, security notices, assignments under section 426 (formerly section 177) of the Bank Act (Canada) and other Encumbrances (but excluding Permitted Encumbrances) registered~~

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<sup>7</sup> Paragraph 4(a) is included when the Purchased Assets include titled lands.

<sup>8</sup> Paragraph 4(b) is included when the Purchased Assets include mineral interests in land.

~~(whether before or after the date of this Order) against the estate or interest of the Debtor in and to any of the Purchased Assets located in the Province of Alberta; and~~

~~(vi) transfer all Crown leases listed in Schedule "E" to this Order standing in the name of the Debtor, to the Purchaser (or its nominee) free and clear of all Claims including Encumbrances but excluding Permitted Encumbrances;~~

(a) ~~(c)~~ the Registrar of the Alberta Personal Property Registry (the "PPR Registrar") shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests ~~(other than Permitted Encumbrances)~~ in the estate or interest of the Debtors in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.

7 ~~5.~~ In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Receiver's Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims ~~including Encumbrances but excluding Permitted Encumbrances~~.

8 ~~6.~~ No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Sale Agreement, ~~[other than any required approval by the Energy Regulator referenced in paragraph 3 above.]~~<sup>9</sup>

~~7. Upon delivery of the Receiver's Closing Certificate together with a certified copy of this Order, this Order shall be immediately registered by the Land Titles Registrar notwithstanding the requirements of section 191(1) of the Land Titles Act, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed. The Land Titles Registrar is hereby directed to accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtor and not in its personal capacity.~~

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<sup>9</sup> ~~The bracketed words in this paragraph are included when the Purchased Assets include mineral interests in land.~~

9 ~~8.~~ For the purposes of determining the nature and priority of Claims, net proceeds<sup>~~10~~</sup> from sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets from and after delivery of the Receiver's Closing Certificate and all Claims ~~including Encumbrances (but excluding Permitted Encumbrances)~~ shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. Unless otherwise ordered (whether before or after the date of this Order), the Receiver shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets without further order of this Court, provided however the Receiver may apply any part of such net proceeds to repay any amounts the Receiver has borrowed for which it has issued a Receiver's Certificate pursuant to the Receivership Order.

10 ~~9.~~ Except as expressly provided for in the Sale Agreement ~~or by~~ section 5 of the Alberta *Employment Standards Code*, ~~or any equivalent legislation in Canada, the United States, or elsewhere, including, but not limited to, liability of any kind or character or character under any theory of federal, state, local, antitrust, environmental, tax, pension, labour, employment, or other law, rule, or regulation of the United States (other than the Assumed Liabilities and Alaska Employment-Related Liabilities),~~ the Purchaser (or its nominee) shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtors<sup>~~11~~</sup>.

11 ~~10.~~ Upon completion of the Transaction, the Debtors~~s~~ and all persons who claim by, through or under the Debtors~~s~~ in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, ~~save and except for persons entitled to the benefit of the Permitted Encumbrances~~, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the

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<sup>~~10~~</sup> ~~The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at "net proceeds".~~

<sup>~~11~~</sup> ~~Successor employer liability is governed by section 5 of the *Employment Standards Code*, RSA 2000 c. E-9 as amended. Inclusion of the words "or by statute" in paragraph 9 ensures that paragraph 9 does not purport to abrogate statutory successor employee liability.~~

Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).<sup>12</sup>

12 ~~11.~~ The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtors, or any person claiming by, through or against the Debtors.

~~12. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.~~<sup>13</sup>

13 ~~13.~~ The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate forthwith after delivery thereof to the Purchaser (or its nominee).

14 ~~14.~~ Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada) and section 20(e) of the *Alberta Personal Information Protection Act*, and any other applicable legislation in relation to the protection of personal information in the United States or elsewhere, the Receiver is authorized and permitted to disclose and transfer to the Purchaser (or its nominee) all human resources and payroll information in the Debtor's records pertaining to the Debtor's past and current employees. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use (of such information) to which the Debtors waswere entitled.

#### **MISCELLANEOUS MATTERS** Miscellaneous Matters

15 ~~15.~~ Notwithstanding:

(a) the pendency of these proceedings and any declaration of insolvency made herein;

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<sup>12</sup> ~~Not all sale agreements require, nor do the terms of the Debtor's possession of human resources and payroll information always permit, disclosure and transfer of such information to the Purchaser. If disclosure and transfer of such information to the Purchaser is not required or permitted, then Section 10 of this Order should be deleted.~~

<sup>13</sup> ~~The terms of the Permitted Encumbrance and Sale Agreement should be reviewed to determine whether an encumbrance also constitutes a charge against other assets not being sold (in addition to the Purchased Assets.) In that circumstance, absent agreement of the encumbrancer to the contrary, the Debtor may not be fully discharged so the encumbrancer does not lose its charge over the other assets it holds as security. Do not add the words "or the Debtor" to the end of paragraph 12 if an encumbrancer's claim against the Debtor should be reserved.~~

(b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended (the “**BIA**”), in respect of the Debtors, and any bankruptcy order issued pursuant to any such applications;

(c) any assignment in bankruptcy made in respect of the Debtors; and

(d) the provisions of any federal or provincial statute:

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

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

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

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

(a) Serving the same on:

(i) the persons listed on the service list created in these proceedings;

(ii) any other person served with notice of the application for this Order;

(iii) any other parties attending or represented at the application for this Order; and

~~(iv) the Purchaser or the Purchaser's solicitors; and~~

(b) ~~(b)~~ Posting a copy of this Order on the Receiver's Monitor's website at: [\\*http://cfcanaada.fticonsulting.com/LocalFirst/](http://cfcanaada.fticonsulting.com/LocalFirst/)

and service on any other person is hereby dispensed with.

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

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Justice of the Court of ~~Queen's~~King's Bench of Alberta

**Schedule "A"**

**Form of Receiver's Certificate**

SCHEDULE A: FORM OF RECEIVER'S CERTIFICATE

COURT FILE NUMBER	<u>2501-01744</u>	Clerk's <u>S</u> stamp
COURT	COURT OF <del>QUEEN'S</del> <u>KING'S</u> BENCH OF ALBERTA	
JUDICIAL CENTRE	<u>CALGARY</u>	
PLAINTIFF	<u>ATB FINANCIAL</u>	
DEFENDANT <u>S</u>	<u>LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS INC., FRONTIER MEDIA LLC and BROADCAST 2 PODCAST INC.</u>	
<u>APPLICANT</u>	<u>FTI CONSULTING CANADA INC., solely in its capacity as Court-appointed Receiver and Manager of the current and future assets, undertakings and properties of LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS INC., FRONTIER MEDIA LLC and BROADCAST 2 PODCAST INC.</u>	
DOCUMENT	<b>RECEIVER'S CERTIFICATE</b>	

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Norton Rose Fulbright Canada LLP  
400 3rd Avenue SW, Suite 3700  
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Tel: +1 403.267.8222  
Fax: +1 403.264.5973

Lawyers for FTI Consulting Canada Inc.  
File no.: 1001336442

**RECITALS**

A. Pursuant to an Order of the Honourable Justice **[Name]** **Lema** of the Court of **Queen's King's** Bench of Alberta, Judicial District of **Calgary** (the "Court") dated **[Date of Order]**, **[Name of Receiver]** **February 21, 2025**, **FTI Consulting Canada Inc.** was appointed as the receiver (the "Receiver") of the undertakings, property and assets of **[Debtor]** (the "Local First Media Group Inc., Local First Properties Inc., BTC USA Holdings Management Inc., Local First Properties USA Inc., Alaska Broadcast Communications, Inc., Frontier Media LLC and Broadcast 2 Podcast, Inc. (the Debtors")).

B. Pursuant to an Order of the Court dated **[Date]** **January 20, 2026**, the Court approved the agreement of purchase and sale made as of **[Date of Agreement]** **October 16, 2025** (the "Sale Agreement") between the Receiver and **[Name of Purchaser]** (the "Alaska First Media Inc. (the Purchaser") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section **\*8** of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

**THE RECEIVER CERTIFIES** the following:

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

**[Name of Receiver]** **FTI Consulting Canada Inc.**, in its capacity as Receiver of the undertakings, property and assets of **[Debtor]** **Local First Media Group Inc., Local First Properties Inc., BTC USA Holdings Management Inc., Local First Properties USA Inc., Alaska Broadcast Communications, Inc., Frontier Media LLC and Broadcast 2**

Podcast, Inc., and not in its personal capacity.

Per:<sup>13</sup>

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Name:  
Title:

COURT FILE NUMBER	2501-01744
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANT	ATB FINANCIAL
RESPONDENTS	LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC., BROADCAST 2 PODCAST, INC, and FRONTIER MEDIA LLC
DOCUMENT	SECOND REPORT OF FTI CONSULTING CANADA INC., IN ITS CAPACITY AS COURT APPOINTED RECEIVER AND MANAGER OF LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC., BROADCAST 2 PODCAST, INC, and FRONTIER MEDIA LLC

**January 12, 2026**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

**RECEIVER**

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## SECOND REPORT OF THE RECEIVER

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## INTRODUCTION

1. On February 21, 2025 (the “**Date of Appointment**”), FTI Consulting Canada Inc. was appointed as receiver (the “**Receiver**”), without security, of all of the current and future assets, undertakings and properties (the “**Property**”) of Local First Media Group Inc. (“**Local First Media**”), Local First Properties Inc. (“**Local First Properties**” and together with Local First Media, collectively “**Local First**”), BTC USA Holdings Management Inc. (“**BTC USA**”), Local First Properties USA Inc. (“**Local First USA**”), Alaska Broadcast Communications, Inc. (“**Alaska Broadcast**”), Broadcast 2 Podcast, Inc. (“**B2P**”), and Frontier Media LLC (“**Frontier Media**”, collectively, with Local First, the “**Debtors**”), pursuant to an Order of the Honourable Justice M. J. Lema (the “**Receivership Order**”).
2. The Receivership Order authorizes the Receiver to, among other things, take possession of and exercise control over the Property, manage, operate and carry on the business of the Debtors, to market any or all of the Property including advertising and soliciting offers to purchase the Property, and to make such arrangements or agreements as deemed necessary by the Receiver.
3. On May 13, 2025, the Receiver filed a Notice of Chapter 15 Proceeding for each of the Debtors in the United States Bankruptcy Court in the Eastern District of Texas, Texarkana Division. On July 8, 2025, the motion seeking recognition of a foreign main proceeding, of a foreign representative and relief under Chapter 15 of the Bankruptcy Code, was granted (the “**U.S. Recognition Order**”).

4. On October 23, 2025, this Honourable Court granted an order (the “**Sale Process Order**”) which provided the following relief:
  - (a) Approval of the sale process (“**Sale Process**”) to be launched by the Receiver to market-test the stalking horse asset purchase agreement (the “**Stalking Horse APA**”) for certain radio related assets and operations (as defined in the First Report) located in Alaska as between the Receiver and Alaska First Media Inc. (the “**Stalking Horse Bidder**” or “**Alaska First**”), and solicit interest in other Property of the Debtors; and
  - (b) Approval of the Stalking Horse APA.
5. Since the granting of the Sale Process Order, the Debtors have continued to operate on a going concern basis under supervision of the Receiver.
6. On January 12, 2026, the Receiver filed an Application seeking an order (the “**Stalking Horse Approval and Vesting Order**”) approving the Stalking Horse APA.
7. The purpose of this report (“**Second Report**” or this “**Report**”) is to provide this Honourable Court with:
  - (a) A summary of the activities of the Receiver since the Receiver’s First Report dated October 16, 2025 (the “**First Report**”);
  - (b) The Receiver’s summary statement of receipts and disbursements from the Date of Appointment to January 2, 2026;
  - (c) A summary of the results of the Sale Process;
  - (d) An update on the marketing of the real estate property located at 3161 Channel Drive (“**3161 Channel Drive**”), Juneau, Alaska; and

- (e) The Receiver's recommendations with respect to the Sale Process and the Stalking Horse Approval and Vesting Order.
- 8. The Receiver is requesting that this Honourable Court approve the Stalking Horse Approval and Vesting Order.
- 9. The Receiver's reports and other publicly available information in respect of these Receivership Proceedings will be posted on the Receiver's website at <https://cfcanaada.fticonsulting.com/LocalFirst/> (the "Receiver's Website").

## **TERMS OF REFERENCE**

- 10. In preparing this Second Report, the Receiver has relied upon audited and unaudited financial information, other information available to the Receiver and, where appropriate, the Debtors' books and records and discussions with various parties with knowledge of the Debtors' business and operations (collectively, the "**Information**").
- 11. Except as described in this Second Report:
  - (a) The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and
  - (b) The Receiver has not examined or reviewed financial forecasts and projections referred to in this Second Report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.

12. Future-oriented financial information reported or relied on in preparing this Second Report is based on assumptions regarding future events. Actual results may vary from forecasts and such variations may be material.
13. The Receiver has prepared this Second Report in connection with the Receiver's Application that is to be heard on January 20, 2026. This Second Report should not be relied on for other purposes.
14. Information and advice described in this Second Report that has been provided to the Receiver by its legal counsel, Norton Rose Fulbright Canada LLP (the "**Receiver's Counsel**") and Norton Rose Fulbright US LLP as legal counsel in the United States ("**Receiver's U.S. Counsel**"), was provided to assist the Receiver in considering its course of action. It is not intended as legal or other advice to, and may not be relied upon by, any other person.
15. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.

## **BACKGROUND**

16. As set out in the First Report, the Debtors' Property primarily includes the operation of 17 regional radio stations (10 in Alaska and 7 in Texas), certain related real estate used specifically in the operations of the radio stations (comprising radio towers and office space); and a commercial building in Juneau, Alaska that is rented to third parties along with housing the operations of radio stations operating in Alaska.
17. Frontier Media is considered the operational entity of the Debtors. Operations are split between Alaska and Texas with 6 operating radio stations in Juneau, Alaska; 2 in Ketchikan, Alaska; 2 in Sitka, Alaska (collectively, the "**Alaska Radio Stations**") and 7 in Texarkana, Texas (the "**Texas Radio Stations**", and collectively with the Alaska Radio Stations, the "**Radio Stations**").

18. Local First USA owns eight properties located across Alaska, Texas and Arkansas as summarized in the table below. The properties are a mix of office buildings and cell tower sites, some of which are currently occupied by 3<sup>rd</sup> party tenants (collectively, the “**Real Estate Properties**”):

Address	City	State	Zip	Land Size		Included in Sale Process?
				(Acres)	Property Description	
3161 Channel Drive	Juneau	Alaska	99801	1.69	Building Complex (with Cell Tower)	No. Listed by Realtor
3890 North Douglas Highway	Juneau	Alaska	99801	0.51	Cell Tower Site	Yes. Included as part of Alaska Assets
611 Lake Street	Sitka	Alaska	99835	0.57	Building and Cell Tower Site	Yes. Included as part of Alaska Assets
526 Stedman Street	Ketchikan	Alaska	99901	0.56	Building	Yes. Included as part of Alaska Assets
615 Olive Street	Texarkana	Texas	75501	0.20	Building Complex (with Cell Tower)	Yes. Included as part of Texas Assets
Brown Drive	Wake Village	Texas	75501	7.69	Cell Tower Site	Yes. Included as part of Texas Assets
107 DeLoach Street	Texarkana	Texas	75501	9.56	Cell Tower Site	Yes. Included as part of Texas Assets
3335 Highway 355 S	McNab	Arkansas	71838	20.00	Cell Tower Site	Yes. Included as part of Texas Assets

19. The Real Estate Properties can be split by geographical region summarized as follows:

(a) 3161 Channel Drive – a commercial complex that has third party leases and also acts as the main office for the Alaska Radio Stations. 3161 Channel Drive was listed by a Realtor engaged by the Receiver and marketed independently of the Sale Process of the Radio Stations (discussed further below);

(b) Alaska Stations’ Real Estate – 3 of the Real Estate Properties that are tied directly to the operations of the Alaska Radio Stations, all located in Alaska (the Alaska Stations’ Real Estate along with the Alaska Radio Stations make up the “**Alaska Assets**”); and

(c) Texas Stations’ Real Estate – 4 of the Real Estate Properties that are tied to the operations of the Texas Radio Stations, located within Texas and Arkansas (the Texas Stations’ Real Estate along with the Texas Radio Stations make up the “**Texas Assets**”).

20. The Alaska Assets and the Texas Assets were included in the Sale Process launched by the Receiver, details of which are included below.

## **RECEIVER'S ACTIVITIES**

21. Since the date of the First Report, the Receiver has, among other things, completed the following:

- (a) Continued the operations of the Debtors, with assistance from key management, with a goal of maintaining potential going concern value of the Company through the Sale Process. The Sale Process included the operations of the Radio Stations and the related Real Estate Properties comprising the Alaska Stations' Real Estate and the Texas Stations' Real Estate;
- (b) Substantially completed the Sale Process which resulted in identifying the Stalking Horse APA as the successful bidder for the Alaska Assets. The Receiver is advancing documentation with a bidder for the completion of a sale of the Texas Assets. Further details with respect to the Sale Process is presented later in this Second Report;
- (c) Since the selection of the Stalking Horse APA as the successful bidder for the Alaska Assets, the Receiver, in consultation with former management, has started the process for the bifurcation of the operations of the Alaska and Texas Assets such that the Texas Assets will be able to operate on a stand-alone basis which will allow for the closing of the sale of the Alaska Assets and the completion of the anticipated sale of the Texas Assets;
- (d) The Receiver, in consultation with the Secured Creditor, are continuing to consider the best strategy for realizing on 3161 Channel Drive, which remains publicly listed;

- (e) The Receiver, in consultation with the Secured Creditor, have engaged with tenants at 3161 Channel Drive to agree to lease extension terms;
- (f) Finalized terms and supplemental insurance coverage of the operations of the Radio Stations and Real Estate Properties, updating the coverage to reflect the Receiver's interest in the Property, and renewing the policies through to October 24, 2026; and
- (g) The Receiver's Counsel is in the process of completing a security review of the security held by the Secured Creditor in relation to the Debtors. The Receiver will report on the results of the security review at a subsequent application when it seeks to distribute funds from the realization of assets.

## **SUMMARY OF RECEIPTS AND DISBURSEMENTS**

- 22. As the day-to-day operations of the Radio Stations are under the control of Cliff Dumas and Col Taylor, the operational receipts and disbursements are not included in the below summary of the Receivers bank accounts. The Receiver has requested and obtained weekly cash flow forecasts for the Radio Stations and has been working with management to monitor unpaid trade payables and confirm post-filing payments are being made in normal course.
- 23. The receipts and disbursements of the Receiver's bank accounts from the Date of Appointment to January 2, 2026 are summarized as follows, which exclude the operations of the Radio Stations:

**Schedule of Receipts and Disbursements**

**As at January 2, 2026**

**(CAD 000's)**

**Receipts**

Opening Cash	\$ -
APA Deposit, in trust	20,700
Rent	75,485
<b>Total Receipts</b>	<b>96,185</b>
<b>Disbursements</b>	
Payroll	(41,400)
Insurance	(9,340)
Operating Expense	(75,900)
Professional Fees & Sales Agent	(69,392)
Bank Charges & FX	(1,851)
<b>Total Disbursements</b>	<b>(197,883)</b>
<b>Net Cash on Hand, before Financing</b>	<b>(101,698)</b>
Net Receiver's Advances	147,723
<b>Ending Cash on Hand, after Financing</b>	<b>\$ 46,025</b>

- (a) APA Deposit, in trust – deposit held for the Stalking Horse APA;
- (b) Rent – building, tower and ground lease payments from tenants at 3161 Channel Drive;
- (c) Payroll – advance to Frontier Media to cover payroll costs relating to operations of the Radio Stations;
- (d) Insurance – payment for insurance premiums for Property of the Debtors;
- (e) Operating Expenses – advances to Frontier Media to cover operating costs relating to equipment and operations of the Radio Stations;
- (f) Professional Fees & Sales Agent – retainers for the Receiver's U.S. Legal Counsel and Realtor Fees and U.S. service provider for notifications and service to creditors;

- (g) Bank Charges & FX – relates to banking fees and foreign exchange on account transfers (CAD to USD accounts); and
- (h) Net Receiver's Advances – advances from the Secured Creditor.

24. As at January 2, 2026, the Receiver held \$46,025 in cash on hand.

## **SALE PROCESS**

- 25. As part of the Sale Process, the Receiver marketed all of the Alaska Assets and Texas Assets. 3161 Channel Drive (real property located in Juneau, Alaska) was excluded from the Sale Process as it is currently listed for sale by a local Juneau Realtor (as discussed below).
- 26. The Stalking Horse APA, approved by this Honourable Court, includes the Alaska Radio Stations and Alaska Stations' Real Estate. The Stalking Horse APA was executed between the Receiver and Alaska First for a purchase price of US \$1,280,798 (refer to the First Report for additional details on the Stalking Horse APA) and was approved for the purpose of acting as stalking horse bid by the Court on October 23, 2025.
- 27. The Stalking Horse APA also contemplates the following key terms:

- (a) The Stalking Horse Bidder was required to provide proof of available and sufficient funds to the Receiver on or before October 22, 2025. This condition has been satisfied;
- (b) The Stalking Horse Bidder will assume the working capital of the Alaska Radio Stations along with all liabilities and obligations of the Alaska Radio Stations arising out of the operations of these assets incurred on or after the date of the U.S. Recognition Order;

- (c) The employees tied to the Alaska Radio Stations and the respective employee liabilities accrued since the date of the Receivership are to be assumed by the Stalking Horse Bidder; and
- (d) The Stalking Horse Bidder is obligated to pay any cure costs for Assumed Contracts (as defined in the Stalking Horse APA), of which management currently operating the Alaska Radio Stations have confirmed all have been kept current and no such cure costs are expected to exist.

28. The results of the Sale Process, as discussed below, relates to the efforts made to market and sell the Radio Stations, the Alaska Stations' Real Estate and the Texas Stations' Real Estate. The Sale Process allowed for offers for all the Radio Stations and related real estate consolidated or on a standalone basis.

29. Efforts to market and sell 3161 Channel Drive are discussed later in this Report.

### **Results of the Sale Process**

30. The Receiver conducted a single phase, six (6) week Sale Process to solicit offers for the operations of the Radio Stations along with the related Alaska Stations' Real Estate and Texas Stations' Real Estate.

31. Highlights of the Sale Process are as follows:

- (a) On October 27, 2025, the Sale Process was formally launched with an e-mail blast to in excess of 100 potential purchasers, including strategic investors, financial investors, local and national radio station operators and any additional potential interested parties that came forward during the Sale Process. The Receiver conducted extensive research to find the most logical buyers of small market radio stations located in Texarkana, TX and Alaska;

- (b) A teaser, non-disclosure agreement (“**NDA**”) and the Sale Process Procedures were posted to the Receiver’s website and were advertised in the following media outlets:
  - i. Insolvency Insider;
  - ii. Juneau Empire; and
  - iii. Texarkana Gazette;
- (c) Over the duration of the Sale Process, the Receiver followed up with all potential parties on numerous occasions to ensure the opportunity was marketed appropriately;
- (d) Of the parties contacted, 6 signed NDA’s with the Receiver and were given access to a virtual data room (“**VDR**”), which contained a confidential information memorandum, historical and forecast financial information, details on all radio stations including population coverage, employee and contractor listings, details on operational and real property assets, and a copy of the Stalking Horse APA;
- (e) The remaining parties contacted either decided not to pursue the opportunity prior to signing an NDA or did not respond despite efforts by the Receiver to follow-up on a weekly basis through email and direct phone calls;
- (f) On November 18, 2025, the Receiver made available in the VDR a form of template purchase agreement to accompany the submission of a binding offer. The bid deadline to submit binding offers was December 9, 2025 (the “**Binding Offer Deadline**”); and
- (g) The results of the Sale Process following the Binding Offer Deadline is as follows:

- i. The Sale Process allowed for interested parties to consider the assets on a consolidated or standalone basis, however, offers received indicated that purchasers were interested in the assets by geographical region. No offers were received for the consolidated package of Texas and Alaska Assets;
  - ii. No competing binding offers were received with respect to the Alaska Assets. Accordingly, the Stalking Horse APA has been accepted as the Successful Alaska Assets Bid and no Alaska Assets Auction is required. The Receiver is now seeking approval from this Honourable Court for the Stalking Horse Approval and Vesting Order; and
  - iii. Multiple offers were received for the Texas Assets (the “**Texas Assets Bidders**”). The Receiver held numerous discussions with each of the Texas Assets Bidders following the Binding Offer Deadline and is ultimately working with the highest bidder to advance documentation associated with acquiring the Texas Assets.
32. Given the current consolidated nature of the Radio Station operations, the Receiver is working with former management to separate the operations of Alaska Assets from the Texas Assets, which had certain shared services and management. Due to this process, additional time is required by the highest bidder to assess the Texas Assets and conceptualize the structure of the deal. The Receiver will report to this Honourable Court in due course with respect to the completion of the Sale Process for the Texas Assets.

33. Ultimately, the Stalking Horse APA has been accepted as the Successful Alaska Assets Bid. The Receiver's view is that the Stalking Horse APA represents the highest and best offer for the Alaska Assets. Furthermore, the Stalking Horse APA was marketed to logical buyers as set out above in the Sale Process and no superior bid was received by the Binding Offer Deadline. Lastly, the Receiver notes that the Secured Creditor is supportive of the Stalking Horse APA.
34. As defined in the Stalking Horse APA, the transaction is subject to the following terms to close:
  - (a) Approval of the Canadian Court which is being sought by the Receiver's request for this Honourable Court to approve the Stalking Horse Approval and Vesting Order on January 20, 2026;
  - (b) Approval of the US Bankruptcy Court, application for which will be sought by the Receiver's U.S. Counsel once the Stalking Horse Approval and Vesting Order is granted. The Receiver anticipates to appear in front of the US Bankruptcy Court in February, pending court availability;
  - (c) Approval from the FCC, which the Stalking Horse Bidder can apply for upon approval of the Stalking Horse Approval and Vesting Order from the US Bankruptcy Court. The application is anticipated to take 2 – 4 weeks for the FCC to consent to after the application has been submitted. The Stalking Horse APA is conditional upon approval of the FCC; and
  - (d) The Receiver will work with the Stalking Horse Bidder to prepare the required closing documents and Bill of Sale with the aim of closing the transaction by the end of March 2026. However, note that closing will be largely dependent on timing of FCC approval.

### **3161 Channel Drive Listing**

35. 3161 Channel Drive remains listed by the Realtor engaged by the Receiver on May 20, 2025 (as described in the First Report). The Receiver is actively engaged in strategic discussions with the Realtor about optimizing value and recovery on the asset.
36. The Receiver intends to further report to this Court and seek required Court approval once an acceptable transaction is obtained on 3161 Channel Drive.

### **RECEIVER'S RECOMMENDATIONS**

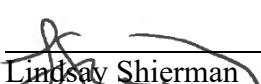
37. Based on the forgoing, the Receiver respectfully requests that this Honourable Court grant the approval of the Stalking Horse Approval and Vesting Order.

\*\*\*\*\*

All of which is respectfully submitted this 12<sup>th</sup> day of January 2026.

FTI Consulting Canada Inc.,  
in its capacity as receiver and manager of  
Local First Media Group Inc., Local First  
Properties Inc., BTC USA Holdings  
Management Inc., Local First Properties  
USA Inc., Alaska Broadcast  
Communications, Inc., Broadcast 2  
Podcast, Inc., and Frontier Media LLC,  
and not in its personal or corporate  
capacity

  
Deryck Helkaa  
Senior Managing Director

  
Lindsay Shierman  
Managing Director