

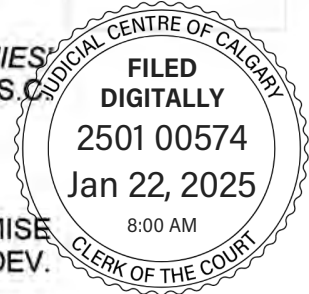
COURT FILE NUMBER 2501-00574

Clerk's stamp

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE COMPANIES
CREDITORS ARRANGEMENT ACT, R.S.C.
1985, C. C-36, AS AMENDED



AND IN THE MATTER OF THE COMPROMISE
OR ARRANGEMENT OF WESTPHALIA DEV.
CORP.

APPLICANT WESTPHALIA DEV. CORP.

DOCUMENT **AFFIDAVIT**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

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Lawyers for the Applicant, Westphalia Dev. Corp.
File no.: 1001326363

SECOND AFFIDAVIT OF BRYCE TINGLE, K.C.

Sworn on January 21, 2025.

I, Bryce Tingle, K.C., of Calgary, Alberta, SWEAR AND SAY THAT:

I. INTRODUCTION

1. I have been an Independent Director on the Board of Directors of Westphalia Dev. Corp. (WDC) since April 2020. I have personal knowledge of the facts and matters hereinafter deposed to, except where otherwise stated. Where I attest to matters that I do not have personal knowledge of, including those that took place before my engagement, I have done so based on my review and reliance on the records of WDC and my discussions with

WDC's management to inform my understanding. Where I have relied upon other sources of information, I believe such information to be true.

2. On January 13, 2025, I swore an Affidavit (the **First Affidavit**) in support of an initial order (the **Initial Order**) pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the **CCAA**). On January 14, 2025, the Initial Order was granted by the Honourable Mister Justice Feasby. This affidavit shall hereinafter be referred to as the "**Second Affidavit**".

3. All capitalized terms used but not defined herein take their meaning from the First Affidavit and the Initial Order.

4. All references to "dollars" or "\$" herein are references to Canadian dollars unless otherwise specified.

II. RELIEF REQUESTED

5. This Second Affidavit is sworn in support of an application for an Order amending and restating the Initial Order (the **Amended and Restated Initial Order**), including, without limitation:

- (a) extending the stay period up to and including March 31, 2025, or such further and other date as determined by this Honourable Court;
- (b) approving of WDC's entry into a certain interim loan agreement and approving a priority charge up to a maximum amount of \$550,000 in respect of the same;
- (c) increasing the Administration Charge in favour of the Monitor, the Monitor's counsel, and the Applicants' counsel, in respect of their fees and disbursements, to \$250,000.

6. WDC is also seeking approval of a Claim Process Order.

III. OVERVIEW

7. In the First Affidavit, I set out details respecting WDC's need for CCAA protection due to its dire financial situation and need to obtain additional time to investigate and evaluate possible restructuring options. I also set out that WDC was in the process of negotiating an

Interim Financing Agreement and Restructuring Support Agreement with Walton Global Investments Ltd. (**WGIL**), which entity also acts as Manager of WDC under a Management Services Agreement. This Court granted an initial stay of proceedings up to and including January 24, 2025 in respect of WDC and its business, property, and directors and officers.

8. Since the Initial Order was granted, WDC has worked with the Monitor to maintain the stability and operations of its business, continue discussions with WGIL, in its capacity as Interim Lender, and reduce operating costs where possible. In particular, WDC:

- (a) issued a press release and notified stakeholders, in consultation with the Monitor, of the CCAA proceedings;
- (b) worked with the Interim Lender to finalize the Interim Financing Agreement, which is attached hereto as **Exhibit "A"**;
- (c) worked with the Monitor to develop and finalize an efficient claims procedure to put forward for Court approval;
- (d) in consultation with the Monitor, reviewed the current forecasted operating revenues, costs and expenses of the business, and other sources of revenues and expenses, in order to prepare an updated cash flow statement (the **Updated Cash Flow Statement**), and to evaluate opportunities to reduce expenses and conserve capital;
- (e) continued to work with the Monitor and key stakeholders to finalize the terms of the Restructuring Support Agreement, which is attached hereto as **Exhibit "B"** as background to this matter, although WDC is not seeking the Court's approval of this agreement at this time; and
- (f) continued to work with the Monitor and key stakeholders to develop a plan of compromise and arrangement, together with a meeting protocol, which will be finalized and presented to the Court for approval at a later date.

IV. AMENDMENTS TO INITIAL ORDER

9. The proposed Amended and Restated Initial Order provides for certain amendments to the Initial Order, as follows:

a. Stay Extension

10. WDC seeks an extension of the stay period up to and including March 31, 2025, or such further or other date as this Honourable Court may consider appropriate. The proposed extension of the stay period will provide WDC with the additional time necessary to stabilize the business, conduct their continued restructuring efforts, and develop a plan of arrangement for the benefit of their creditors and stakeholders.

b. Increase to Priority Charge

11. WDC seeks to increase the Administration Charge from the initial \$100,000 granted for the first ten days of the CCAA proceedings to \$250,000. From my review of the Updated Cash Flow Statement, I note that WDC will require these additional funds to cover the professional fees of their counsel, the Monitor, and the Monitor's counsel during these CCAA proceedings. As noted in my First Affidavit, the Applicants will require the ongoing counsel of these advisors in order to carry out a successful restructuring. In these circumstances, WDC believes that it would be fair and appropriate to increase the Administration Charge to \$250,000.

12. In addition, WDC seeks a further charge in respect of the Interim Financing Agreement. The proposed additional charge is discussed at paragraph 17, below.

V. INTERIM FINANCING AND CHARGE

13. As noted, WDC has finalized the terms of an Interim Financing Agreement with the Interim Lender, a draft of which agreement had been attached as Exhibit "C-2" to my First Affidavit.

14. The key financial terms of the Interim Financing Agreement include:

- (a) a maximum principal amount of \$750,000, to be funded in advances of a minimum amount of \$100,000, with amounts in excess of this to increase by multiples of \$25,000;
- (b) an initial advance (the **Initial Advance**) will be funded on the date that the conditions precedent to funding the Initial Advance are satisfied or waived, which is anticipated to occur shortly after the Comeback Hearing, with

subsequent advances provided on the conditions set out in the Interim Financing Agreement;

- (c) interest is payable on the outstanding principal amount at a rate *per annum* equal to the Prime Rate plus 4%, payable in arrears on the first day after the end of each month, to be increased by an additional 3.0% *per annum* upon the occurrence of an Event of Default (defined below);
- (d) WDC shall pay the Interim Lender's legal fees and out-of-pocket disbursements and any costs of realization or enforcement, in each case in connection with or otherwise related to the Interim Facility, the Interim Lender Charge, the other Interim Financing Credit Documentation, or the CCAA Proceedings.

15. In addition to the above financial terms, the Interim Financing Agreement provides that the Interim Facility shall be repayable on the earlier of (i) the occurrence of any event of default which is continuing and has not been cured; (ii) the implementation of a plan of compromise or arrangement within the CCAA proceedings, which has been approved by the requisite majorities of the Borrower's creditors and by an order entered by the Court; (iii) conversion of the CCAA Proceedings into a proceeding under the *Bankruptcy and Insolvency Act* (Canada); and (iv) April 30, 2025 (the **Maturity Date**).

16. Further, the Interim Financing Agreement contains, among others, the following key provisions:

- (a) WDC must meet certain conditions precedent to funding the Initial Advance, which include obtaining the Initial Order, obtaining approval of an interim financing charge on terms and in an amount satisfactory to the Interim Lender, obtaining cash flow statements from the Monitor;
- (b) WDC shall use advances under the facility to:
 - (i) fund the reasonable and documented professional fees and disbursements associated with the CCAA proceedings;
 - (ii) fund the payment of interest, fees and other amounts payable under this Interim Financing Agreement;

- (iii) fund the operating expenses of WDC necessary for the preservation of the business and assets during the CCAA proceedings in accordance with the cash flow statements prepared by the Monitor; and
 - (iv) fund such other costs and expenses as agreed to in advance by the Interim Lender, in writing;
- (c) it is an Event of Default under the Interim Financing Agreement to, among other things, fail to pay amounts when due under the Interim Financing Agreement, and fail to comply with the terms of any Court order in the CCAA proceedings; and
- (d) as discussed in further detail below, the Company must seek and obtain a court-ordered priority charge in respect of the amounts borrowed under the Interim Financing Agreement.

17. It is contemplated that the Interim Lender be granted, in respect of the Interim Financing Agreement and facility provided for therein, a second-priority Court-ordered charge on the assets, property and undertakings of the Company in priority to all other charges other than the Administration Charge, up to a maximum amount of \$550,000 (the **Interim Financing Charge**). Given WDC's urgent need for funding during the CCAA proceedings, in large part to pay the Company's ongoing obligations to the Manager, its obligations to its professional advisors, and other operating costs, WDC believes that the Interim Financing Charge as requested is fair and reasonable in the circumstances.

VI. CLAIMS PROCESS

18. WDC, in consultation with the Monitor, has prepared the outline of an efficient reverse-claims process, which would commence at the end of January 2025 (the **Claims Process**). WDC anticipates that the Claims Process would run for a 30-day period through to the end of February 2025.

VII. FURTHER MATTERS

19. WDC anticipates taking the following steps in the coming months:

- (a) Finalizing the terms of a Plan of Compromise and Arrangement (the **Plan**) with the Monitor and key stakeholders;

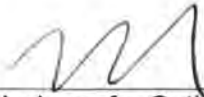
- (b) Finalizing any necessary amendments or further agreements necessary in respect of WDC's obligations under the Management Services Agreement to dovetail with the Plan and Restructuring Support Agreement;
- (c) Obtaining Court approval of a proposed Meeting Order, which would enclose the Plan and WDC's proposed meeting protocol for WDC's creditors to vote on the Plan.

20. Following the anticipated application for approval of the Meeting Order, WDC would take the approved steps to convene a meeting of creditors to vote on the Plan, which is currently anticipated to take place in March 2025, with any transactions contemplated therein to be completed in April 2025.

VIII. CONCLUSION AND RELIEF SOUGHT

21. I swear this Affidavit in support of the granting of an Amended and Restated Initial Order and Claims Process Order under the CCAA, and for no improper purpose.

SWORN BEFORE ME at the City of Calgary, Alberta, this 21 day of January, 2025.



(Commissioner for Oaths in and for the Province of Alberta)

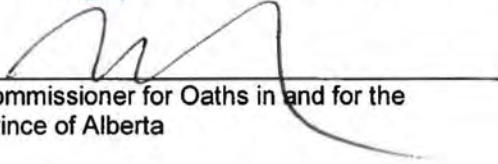


Bryce Tingle, K.C.

Meghan Parker
Barrister and Solicitor

This is **Exhibit "A"** referred to in the Affidavit of Bryce Tingle, K.C.

Sworn/Affirmed before me at the City of Calgary, Alberta the 21 day of January, 2025

A handwritten signature in black ink, appearing to read 'Meghan Parker', is written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

Meghan Parker
Barrister and Solicitor

INTERIM FINANCING COMMITMENT LETTER
made as of [•], 2025

WHEREAS the Borrower (as defined below) has requested that the Interim Lender (as defined below) provide financing to fund certain of the Borrower's cash requirements during the pendency of the Borrower's (as defined below) proceedings (the "CCAA Proceedings") under the Companies' Creditors Arrangement Act (Canada) (the "CCAA") to be commenced before the Court of King's Bench of Alberta (the "Court") in accordance with the terms and conditions set forth herein;

NOW THEREFORE, the parties, in consideration of the foregoing and the mutual agreements contained herein (the receipt and sufficiency of which are hereby irrevocably acknowledged), agree as follows:

1. **BORROWER:** Westphalia Dev. Corp. (the "**Borrower**").
2. **LENDER:** Walton Global Investments Ltd. or its affiliates (the "**Interim Lender**").
3. **DEFINED TERMS:** Unless otherwise defined herein, capitalized terms used in this Interim Financing Commitment Letter have the meanings given thereto in Schedule "A".
4. **PURPOSE:** The Borrower shall use the proceeds of the Interim Facility solely for the following purposes and in the following order:
 - (a) to fund the reasonable and documented professional fees and disbursements associated with the CCAA Proceedings. The Borrower and the Interim Lender agree that those fees and expenses incurred to the date hereof and those provided for in the Cash Flow Projections as of the date hereof are reasonable;
 - (b) to fund the payment of interest, fees and other amounts payable under this Interim Financing Commitment Letter;
 - (c) to fund the operating expenses of the Borrower necessary for the preservation of the business and assets during the CCAA Proceedings in accordance with the Cash Flow Projections; and
 - (d) to fund such other costs and expenses as agreed to in advance by the Interim Lender, in writing.

For greater certainty, the Borrower may not use the proceeds of the Interim Facility to pay any pre-filing obligations of the Borrower without the prior written consent of the Interim Lender; it being agreed by the Interim Lender that such consent is not required for the Borrower to pay any amounts owing by the Borrower to the extent specifically identified in the Cash Flow Projections or the ARIO. No proceeds may be used for any other purposes except with the prior written approval of the Interim Lender.
5. **INTERIM FACILITY, MAXIMUM AMOUNT:** A super priority (debtor-in-possession), interim, non-revolving credit facility (the "**Interim Facility**") up to a maximum principal amount of \$750,000 (the "**Maximum Amount**") in increments as set out in the

Cash Flow Projections, subject to the terms and conditions contained herein. Interim Advances (as defined below) shall be deposited into the Borrower Bank Account and utilized by the Borrower in accordance with the terms hereof.

Interim advances shall be made to the Borrower from the Interim Facility (such advances being referred to herein as "**Interim Advances**", and "**Interim Advance**" means each such advance) by the Interim Lender in accordance with the conditions set out in Sections 8 and 9 hereof.

6. CLOSING DATE

The earlier of (i) the date of the first Interim Advance (the "**Initial Advance**"); and (ii) the date on which the Interim Lender confirms in writing to the Borrower that all Initial Funding Conditions not waived by the Interim Lender have been satisfied (the "**Closing Date**").

7. DOCUMENTATION:

All of the obligations of the Borrower under or in connection with the Interim Facility, this Interim Financing Commitment Letter and any other documentation in respect of the Interim Facility that is requested by the Interim Lender (the "**Interim Financing Credit Documentation**") each of which shall be acceptable in form and substance to the Interim Lender and shall be secured by the Interim Lender Charge.

**8. CONDITIONS
PRECEDENT TO THE
INITIAL ADVANCE:**

The Interim Lender's agreement to make the Initial Advance to the Borrower is subject to the satisfaction of the following conditions precedent (these conditions, the "**Initial Funding Conditions**"), as determined by the Interim Lender:

- (a) The Court shall have issued the ARIO, in a form satisfactory to the Interim Lender, including:
 - (i) Approving this Interim Financing Commitment Letter, the Interim Facility and granting a charge on all of the property of the Borrower (the "**Interim Lender Charge**") to a maximum amount satisfactory to the Interim Lender and the Monitor securing all obligations owing by the Borrower to the Interim Lender under this Interim Financing Commitment Letter, the other Interim Financing Credit Documentation, and, without limitation, all principal of the Interim Advances, interest thereon and Interim Financing Fees and Expenses (collectively, the "**Interim Financing Obligations**"), which shall have priority over all Liens other than the Permitted Priority Liens, and providing that the Interim Lender Charge shall be valid and effective to secure all of the Interim Financing Obligations, without the necessity of making any registrations or filings;
 - (ii) authorizing the Interim Lender to effect registrations, filings and recordings wherever it deems appropriate regarding the Interim Lender Charge;
 - (iii) providing that the Interim Lender Charge shall be valid and effective to secure all of the obligations of the Borrower to

- the Interim Lender hereunder, without the necessity of the making of any registrations or filings and whether or not any other documents have been executed by the Borrower;
- (iv) declaring that the granting of the Interim Lender Charge and all other documents executed and delivered to the Interim Lender as contemplated herein, including, without limitation, all actions taken to perfect, record and register the Interim Lender Charge, do not constitute conduct meriting an oppression remedy, settlement, fraudulent preference, fraudulent conveyance or other challengeable or reviewable transaction under any applicable federal or provincial legislation; and
 - (v) provisions restricting the granting of any additional liens or encumbrances on the assets of the Borrower, other than as permitted herein and the Interim Lender Charge.
- (b) The ARIO shall not have been stayed, vacated or otherwise caused to be ineffective or amended, restated or modified in a way that adversely impacts the rights and interests of the Interim Lender, as determined by the Interim Lender, without the consent of the Interim Lender;
 - (c) The Interim Lender shall be satisfied that the Borrower has complied with and is continuing to comply in all material respects with all applicable laws, regulations and policies in relation to their businesses other than as may be permitted under a Restructuring Court Order or as to which any enforcement in respect of non-compliance is stayed by a Restructuring Court Order, provided the issuance of such Restructuring Court Order does not result in the occurrence of an Event of Default;
 - (d) The Interim Lender shall have received the Cash Flow Projections, and the Initial Advance shall be made in accordance with the Cash Flow Projections;
 - (e) The Interim Lender shall have received a written request for an Interim Advance from the Borrower, substantially in the form attached hereto, which shall be executed by an officer of the Borrower, and shall certify, *inter alia*, that the requested Interim Advance is within the Maximum Amount, is consistent with the Cash Flow Projections, and that the Borrower is in compliance with this Interim Financing Commitment Letter and the Restructuring Court Orders;
 - (f) The requested Interim Advance shall not cause the aggregate amount of all outstanding Interim Advances to exceed the Maximum Amount or be greater than the amount shown on the Cash Flow Projections as at the date of such Interim Advance;
 - (g) All Interim Financing Fees and Expenses for which invoices have been provided to the Borrower, shall have been paid, or will be

paid from the proceeds of the requested Interim Advance within such period of time as is acceptable to the Interim Lender;

- (h) All of the representations and warranties of the Borrower as set forth herein are true and accurate at the time of such Interim Advance and the Interim Lender shall have received an officer's certificate of the Borrower certifying same;
- (i) No Default or Event of Default has occurred, or will occur as a result of the requested Interim Advance;
- (j) The Interim Lender is satisfied that no Material Adverse Change shall have occurred after the date of the issuance of the ARIO;
- (k) There are no Liens ranking in priority to the Interim Lender Charge, other than the Permitted Priority Liens;
- (l) Neither the Borrower nor any shareholder of the Borrower shall have commenced or be continuing any action, application, petition, arbitration or litigation against the Interim Lender; and
- (m) The ARIO shall not have been stayed, vacated or otherwise caused to be ineffective or amended, restated or modified in a manner that materially adversely impacts the rights and interests of the Interim Lender, as determined by the Interim Lender, without the consent of the Interim Lender.
- (n) For greater certainty, the Interim Lender shall not be obligated to make any Interim Advance or otherwise make available funds pursuant to this Interim Financing Commitment Letter unless and until all the foregoing conditions have been satisfied or waived by the Interim Lender and all the foregoing documentation and confirmations have been obtained (for certainty, each of the same as a condition precedent to each Interim Advance), each in form and content satisfactory to the Interim Lender.

**9. CONDITIONS TO
SUBSEQUENT
ADVANCES**

The Interim Lender's agreement to make subsequent Interim Advances to the Borrower is subject to the satisfaction of the following conditions precedent (these conditions, the "**Funding Conditions**"), as determined by the Interim Lender:

- (a) The Initial Funding Conditions continue to be satisfied.
- (b) The operations of the Borrower shall comply in all material respects (as determined by the Interim Lender, in its sole discretion) with the Cash Flow Projections.
- (c) The Cash Flow Projections shall be acceptable to the Interim Lender and the timing and amount of each advance shall be in accordance with the Cash Flow Projections.

10. COSTS AND

The Borrower shall pay all of the Interim Lender's legal fees (on a solicitor-client, full indemnity basis) and out-of-pocket disbursements

EXPENSES

and any costs of realization or enforcement, including fees and disbursements of the Interim Lender's financial advisor, in each case in connection with or otherwise related to the Interim Facility, the Interim Lender Charge, the other Interim Financing Credit Documentation, or the CCAA Proceedings (collectively, the "**Interim Financing Fees and Expenses**") and such payment shall be made forthwith upon receipt of the applicable invoice.

11. INTERIM FACILITY SECURITY:

All Interim Financing Obligations shall be secured by the Interim Lender Charge.

The Interim Lender Charge shall be a priority Lien, subordinate only to the Permitted Priority Liens.

Except as set out in the Cash Flow Projections, the Borrower shall not effect, and shall not permit to occur, any distribution of funds (whether from proceeds of the Interim Facility or otherwise) from the Borrower to any shareholder, sponsor, subsidiary or affiliate.

12. PERMITTED LIENS AND PRIORITY:

All Collateral will be free and clear of all Liens, except for the Permitted Liens.

13. MONITOR:

The Court-appointed monitor in the CCAA Proceedings shall be FTI Consulting Canada Inc. (the "**Monitor**"). The Monitor shall be authorized to have direct discussions with the Interim Lender, and the Interim Lender shall be entitled to receive information from the Monitor as may be requested by the Interim Lender from time to time.

14. REPAYMENT:

The Interim Facility shall be repayable in full on the earlier of: (i) the occurrence of any Event of Default hereunder which is continuing and has not been cured; (ii) the implementation of a plan of compromise or arrangement within the CCAA Proceedings (a "**Plan**") which has been approved by the requisite majorities of the Borrower's creditors and by an order entered by the Court; (iii) conversion of the CCAA Proceedings into a proceeding under the *Bankruptcy and Insolvency Act* (Canada); and (iv) April 30, 2025 (the earliest of such dates being the "**Maturity Date**").

The Commitment of the Interim Lender in respect of the Interim Facility shall expire on the Maturity Date and all amounts outstanding under the Interim Facility shall be repaid in full no later than the Maturity Date, without the Interim Lender being required to make demand upon the Borrower or to give notice that the Interim Facility has expired and the obligations are due and payable. The order of the Court sanctioning any Plan shall not discharge or otherwise affect in any way any of the obligations of the Borrower to the Interim Lender under the Interim Facility, other than after the permanent and indefeasible payment in cash to the Interim Lender of all Interim Financing Obligations on or before the date the Plan is implemented.

15. REPORTING REQUIREMENTS:

The Borrower shall provide to the Interim Lender:

(a) **Monthly Cash Flow Projections.** Prior to 5:00 p.m. (Calgary

time) on [●], 2025 and the first day of each month thereafter, the Monthly Cash Flow Projections. The Monthly Cash Flow Projections shall be certified by the Chief Financial Officer of the Borrower or other senior officer of the Borrower acceptable to the Interim Lender, to be complete, true and accurate.

- (b) **Default/Event of Default.** Prompt notice of a Default or Event of Default.
- (c) **Other Information.** Promptly, from time to time, such other information as may be reasonably requested by the Interim Lender including, without limitation regarding the business, assets, liabilities, operations and financial condition of the Borrower and the CCAA Proceeding.

16. AVAILABILITY UNDER INTERIM FACILITY:

Provided that no Default or Event of Default has occurred, each Interim Advance shall be made by the Interim Lender to the Borrower within two (2) Business Days after satisfaction, as determined by the Interim Lender of all of the Initial Funding Conditions or the Funding Conditions, as applicable, set out in this Interim Financing Commitment Letter. No more than two Interim Advances will be available in any week.

Interim Advances shall be available to the Borrower in Canadian Dollars. Each Interim Advance shall be in a minimum aggregate amount that is no less than Cdn. \$100,000 and in excess thereof in integral multiples of Cdn. \$25,000 and in accordance with the Cash Flow Projections.

All proceeds of Interim Advances shall be deposited into the Borrower Bank Account. The Borrower Bank Account shall be subject to a priority Lien in favour of the Interim Lender, subordinate only to the Permitted Priority Liens.

17. USE OF PROCEEDS:

The proceeds of the Interim Facility shall only be used: (i) to finance operating expenses, restructuring costs in the CCAA Proceedings, professional fees (including fees of legal counsel to the Borrower, the Monitor and the Monitor's legal counsel), and for general corporate purposes of the Borrower, all in accordance with the Cash Flow Projections, and (ii) to pay fees and expenses related to the Interim Facility and the CCAA Proceedings, provided that no proceeds from the Interim Facility or the Collateral shall be used other than in accordance with the Interim Financing Commitment Letter unless otherwise agreed in writing by the Interim Lender.

18. EVIDENCE OF INDEBTEDNESS:

The Interim Lender's accounts and records constitute, in the absence of manifest error, conclusive evidence of the indebtedness of the Borrower to the Interim Lender pursuant to the Interim Facility.

19. INTEREST RATE AND DEFAULT INTEREST RATE:

The Interim Advances shall bear interest at a rate *per annum* equal to the Prime Rate plus 4% (the "Interest Rate"). Such interest shall accrue daily and shall be payable, in arrears, in cash on each Interest Payment Date for each Interim Advance for the period from and

including the date upon which the Interim Lender advance such Interim Advance to the Borrower to and including the day such Interim Advance is repaid or paid, as the case may be, and shall be calculated on the principal amount of each Interim Advance outstanding during such period and on the basis of the actual number of days elapsed in a year of 365 or 366 days, as applicable.

Overdue amounts of principal, interest and any fee or other amounts payable under the Interim Facility shall bear interest at a rate of the Interest Rate plus an additional 3% *per annum* (the "**Default Interest Rate**") from the date that such amount is due until the date that such amounts are paid.

During any period in which an Event of Default has occurred and is continuing, the Default Interest Rate shall apply to all Interim Advances, interest, the Interim Financing Fees and Expenses and any other amounts owing hereunder.

20. CURRENCY:

Unless otherwise stated, all monetary denominations shall be in Canadian Dollars. Any payment under this Interim Financing Commitment Letter which the Borrower pays to the Interim Lender in a currency other than Canadian Dollars (the "**Other Currency**"), whether voluntarily or pursuant to an order or judgment of a court or tribunal of any jurisdiction, will only discharge the Credit Parties' liability under this Interim Financing Commitment Letter to the extent of the Equivalent Amount in Canadian Dollars of the Other Currency so paid.

21. REPRESENTATIONS AND WARRANTIES:

The Borrower represents and warrants to the Interim Lender, upon which the Interim Lender relies on in entering into this Interim Financing Commitment Letter and the other Interim Financing Credit Documentation, that:

- (a) The transactions contemplated by this Interim Financing Commitment Letter and the other Interim Financing Credit Documentation to which the Borrower is party, subject to obtaining the ARIO and the terms thereof:
 - (i) are within the corporate powers of the Borrower;
 - (ii) have been duly authorized by all necessary corporate authority, and, if required, shareholder approval of the Borrower;
 - (iii) have been duly executed and delivered by or on behalf of the Borrower;
 - (iv) constitute legal, valid, and binding obligations of the Borrower; and
 - (v) do not require the consent or approval of, registration or filing with, or any other action by, any Governmental Authority, other than filings which may be made to

register or otherwise record the Interim Lender Charge.

- (b) The activities of the Borrower have been conducted in material compliance with all applicable provincial, state and federal laws, subject to the provisions of the CCAA, and any Restructuring Court Order, unless: (i) otherwise ordered by the Court, or (ii) the sanctions for non-compliance are stayed by a Restructuring Court Order.
- (c) The Borrower has maintained its obligations for payroll, source deductions, goods and services tax, harmonized sales tax, and any other liabilities that have, or could have, a statutory priority to registered contractual security interests, as applicable, and is not in arrears in respect of payment of these obligations, except for any taxes that are being contested in good faith by appropriate proceedings being diligently conducted, in which case appropriate reserves have been made.
- (d) The Cash Flow Projections and any forward-looking statements, estimates, and pro forma financial information furnished to the Lender pursuant to any Loan Document, are based on good-faith estimates and assumptions believed by the Loan Parties to be reasonable at the time made.
- (e) No Default or Event of Default has occurred and is continuing.
- (f) All representations and warranties made by the Borrower in all other documentation are materially true and correct in all respects.
- (g) The Borrower has made full and complete disclosure in writing to the Interim Lender of all litigation or other proceedings involving the Borrower (or any one or more of them) and (ii) all claims and/or threatened claims, litigation or proceedings against the Borrower.
- (h) All material contracts to which the Borrower is a party are in full force and effect and are valid, binding and enforceable in accordance with their terms.
- (i) Other than as previously disclosed in writing to the Interim Lender, the Borrower does not have any defined benefit pension plans or similar plans.
- (j) The Borrower is not liable for any indebtedness for borrowed money, except as disclosed in the CCAA Proceedings.
- (k) The Borrower, from and after the granting of the ARIO, will be and shall remain in compliance with the ARIO.

22. AFFIRMATIVE COVENANTS:

The Borrower covenants and agrees to perform and do each of the following until the Interim Financing Obligations are permanently and indefeasibly repaid in full and the Interim Facility is terminated:

- (a) Allow the Interim Lender or its agents and advisors, on reasonable notice during regular business hours, to enter on

- and inspect the Borrower's assets and properties, and provide the Interim Lender or its agents or advisors, on reasonable notice and during normal business hours, full access to the books and records of the Borrower and cause management thereof to fully co-operate with the Interim Lender or its agents and advisors, as applicable.
- (b) Use reasonable efforts to keep the Interim Lender apprised on a timely basis of all material developments with respect to the business and affairs of the Borrower, including (without limitation) the development of a Plan or a Restructuring Option.
 - (c) Deliver to the Interim Lender periodic reporting packages and other information requested by the Interim Lender from time to time, including (i) the reporting materials requirement under Section 15; (ii) as soon as reasonably practicable prior to filing with the Court, copies of all pleadings, motions, applications, judicial or financial information and other documents to be filed by or on behalf of the Borrower with the Court including, for certainty, with respect to the CCAA Proceedings; (iii) as soon as reasonably practicable, notice of material events, including, without limitation, defaults, new litigation or changes in status of ongoing litigation, regulatory and other filings and any other event that could reasonably be expected to result in a Material Adverse Change; and (iv) without limiting the foregoing, copies of any financial reporting provided to the Monitor in a timely manner and forthwith provide to the Interim Lender any reports or commentary received from the Monitor regarding the financial position of the Borrower.
 - (d) Use the proceeds of the Interim Facility only for the purposes described in Section 17, and in a manner consistent with the restrictions set out herein.
 - (e) Comply with the provisions of the Court orders made in the CCAA Proceedings applicable to the Borrower (collectively, the "**Restructuring Court Orders**" and each a "**Restructuring Court Order**"); provided that if any such Restructuring Court Order contravenes this Interim Financing Commitment Letter or any other Interim Financing Credit Documentation so as to materially adversely impact the rights or interests of the Interim Lender, as determined by the Interim Lender, the same shall be an Event of Default hereunder.
 - (f) Preserve, renew and keep in full force its respective corporate existence and its respective material licenses, permits, approvals, and other authorizations required in respect of its business, properties, assets or any activities or operations carried out therein, unless otherwise agreed by the Interim Lender.

- (g) Conduct all activities in a manner consistent with the Cash Flow Projections.
- (h) Forthwith notify the Interim Lender of the occurrence of any Default or Event of Default.
- (i) Provide to the Interim Lender regular updates regarding the status of the CCAA Proceedings including, without limitation, reports on the progress of any Plan or Restructuring Option, and any information which may otherwise be confidential subject to same being maintained as confidential by the Interim Lender and respond to all inquiries of the Interim Lender as soon as reasonably possible.
- (j) Comply in all respects with all laws to which it may be subject, if failure so to comply would (i) materially impair its ability to perform its obligations under this Interim Financing Commitment Letter or the other Interim Financing Credit Documentation; (ii) have a significantly unfavourable effect on their activities, their assets and their financial situation; or (iii) constitute a breach of any Court order.

23. NEGATIVE COVENANTS:

The Borrower covenants and agrees not to do the following, other than with the prior written consent of the Interim Lender:

- (a) Transfer, lease, or otherwise dispose of all or any part of its property, assets or undertaking except for: (a) in the ordinary course of business, (b) in accordance with the Cash Flow Projections, the ARIO or any further orders in the CCAA Proceedings, or (c) the disposition of obsolete or worn-out equipment or assets consistent with past practice, and, in each case, not to exceed Cdn. \$100,000 in any one transaction or \$500,000 in the aggregate after the date hereof.
- (b) Make any payment, including, without limitation, any payment of principal, interest or fees, on account of pre-filing indebtedness or in respect of any other pre-filing liabilities, including payments with respect to pre-filing trade or unsecured liabilities of the Borrower, royalties, forward contracts or any similar arrangements, other than as required or permitted pursuant to the Cash Flow Projections or any Restructuring Court Order, provided that the Borrower shall be permitted to pay the professional fees and expenses of the Interim Lender in its capacity as holder of pre-filing indebtedness.
- (c) Create or permit to exist indebtedness (including guarantees thereof or indemnities or other financial assistance in respect thereof) other than existing (pre-filing) debt, debt contemplated by this Interim Financing Commitment Letter, the Cash Flow Projections and post-filing trade payables.
- (d) Make or give any additional financial assurances, in the form of bonds, letters of credit, guarantees or otherwise, to any person

- (including, without limitation, any Governmental Authority).
- (e) Create, permit to exist or seek or support a motion by another party to provide to any third party a Lien on the Collateral which is senior to or *pari passu* with the Interim Lender Charge, other than the Permitted Priority Liens.
 - (f) Change its name, amalgamate, consolidate with or merge into, or enter into any similar transaction with any other entity.
 - (g) Make any payment in respect of post-employment benefit payments.
 - (h) Cease (or threaten to cease) to carry on their business or activities as currently being conducted or modify or alter in any material manner the nature and type of their operations, business or the manner in which such business is conducted.
 - (i) Amend or terminate any material agreement to which the Borrower is a party.

**24. INDEMNITY AND
RELEASE:**

The Borrower agrees, on a joint and several basis, to indemnify and hold harmless the Interim Lender and their respective directors, officers, partners, employees, agents, attorneys, advisors and affiliates (all such Persons and entities being referred to hereafter as "**Indemnified Persons**") from and against any and all actions, suits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities or expenses of any kind or nature whatsoever (excluding indirect or consequential damages and claims for lost profits) which may be incurred by or asserted against or involve any Indemnified Person (collectively, "**Claims**") as a result of or arising out of or in any way related to or resulting from this Interim Financing Commitment Letter and the other Interim Financing Credit Documentation (regardless of whether such Claim is made in the CCAA Proceedings or any other proceeding, including a bankruptcy or insolvency proceeding) and, upon demand, to pay and reimburse any Indemnified Person for any legal or other out-of-pocket expenses incurred in connection with investigating, defending or preparing to defend any such action, suit, proceeding (including, without limitation, any inquiry or investigation) or claim (whether or not any Indemnified Person is a party to any action or proceeding out of which any such expenses arise); provided, however, the Borrower shall not be obligated to indemnify pursuant to this Section any Indemnified Person against any loss, claim, damage, expense or liability (a) to the extent it resulted from the gross negligence or wilful misconduct of such Indemnified Person as finally determined by a court of competent jurisdiction, or (b) to the extent arising from any dispute solely among Indemnified Persons other than any claims arising out of any act or omission on the part of the Borrower. The Borrower shall not be responsible or liable to any Indemnified Person or any other person for consequential or punitive damages. Each of the Indemnified Persons undertakes to repay any and all costs paid to such Indemnified Person in accordance with this Section 24 if it is ultimately determined that

such Indemnified Person is not entitled to be indemnified therefor.

The indemnities granted under Interim Financing Credit Documentation shall survive any termination of the Interim Facility.

25. EVENTS OF DEFAULT:

The occurrence of any one or more of the following events without the Interim Lender's prior written consent shall constitute an event of default ("**Event of Default**") under this Interim Financing Commitment Letter:

- (a) the issuance of an order of the Court (including any Restructuring Court Order) or any other court of competent jurisdiction:
 - (i) terminating or dismissing the CCAA Proceedings, or lifting the stay in the CCAA Proceedings to permit (A) the enforcement of any Lien against the Borrower, or a material portion of its property, assets or undertaking, or (B) the appointment of a receiver and manager, receiver, interim receiver or similar official or the making of a bankruptcy order against the Borrower;
 - (ii) granting any Lien which is senior to or *pari passu* with the Interim Lender Charge, other than the Permitted Priority Liens;
 - (iii) staying, reversing, vacating or otherwise modifying this Interim Financing Commitment Letter, the other Interim Financing Credit Documentation, or any Restructuring Court Order in a manner materially adverse to the interests of the Interim Lender, as determined by the Interim Lender;
 - (iv) materially adversely impacting the rights and interests of the Interim Lender, as determined by the Interim Lender; and
 - (v) directing the Borrower to pay any post-employment benefits;
- (b) the filing of any pleading by the Borrower seeking any of the matters set forth in clause (a) above or failure of the Borrower to diligently oppose any party that brings an application or motion for the relief set out in paragraph (a) above and/or fails to secure the dismissal of such motion or application within 10 days from the date such application or motion is brought;
- (c) any update in the Cash Flow Projections contemplates or forecasts an adverse change to the rights and interests of the Interim Lender or changes from the then existing Cash Flow Projections and such change(s) constitute a Material Adverse Change, or any update in the Cash Flow Projections forecasts that borrowings under the Interim Facility will exceed the

- Maximum Amount at any time (unless and until the Interim Lender consents to increase the Maximum Amount) (each, an "**Updated Budget Default**"), or the Borrower does not meet the Cash Flow Test at any time;
- (d) the occurrence of a Material Adverse Change;
 - (e) any representation or warranty by the Borrower in this Interim Financing Commitment Letter or any other Interim Financing Credit Documentation shall be incorrect or misleading in any material respect when made;
 - (f) borrowings under the Interim Facility exceed the Maximum Amount at any time;
 - (g) any material violation or breach of any Restructuring Court Order upon receipt by the Borrower of notice from the Interim Lender of such violation or breach;
 - (h) the Borrower fails to perform or observe any of its obligations or covenants under any Interim Financing Credit Documentation in any material respect;
 - (i) if a proceeding is commenced or consented to by the Borrower challenging the validity, priority, perfection or enforceability of any of the Interim Financing Credit Documentation;
 - (j) the sale of all or substantially all the assets of the Borrower that does not provide for the payment in full of the Interim Financing Obligations, without the consent of the Interim Lender;
 - (k) any proceeding, motion or application is commenced or filed by the Borrower, or if commenced by another party, supported or otherwise consented to by the Borrower, seeking the invalidation, subordination or other challenging of the terms of the Interim Facility, the Interim Lender Charge, this Interim Financing Commitment Letter or any of the other Interim Financing Credit Documentation or, unless the Plan or Restructuring Option provides for repayment in full of the Interim Facility, the approval of any Plan or Restructuring Option which does not have the prior written consent of the Interim Lender;
 - (l) any Plan is sanctioned or any Restructuring Option is consummated by the Borrower that is not consistent with or contravenes any provision of Interim Financing Commitment Letter or any of the other Interim Financing Credit Documentation in a manner that is materially adverse to the interests of the Interim Lender, as determined by the Interim Lender, or would reasonably be expected to materially adversely affect the interests of the Interim Lender, as determined by the Interim Lender, unless the Interim Lender

has consented thereto;

- (m) failure of the Borrower to pay any principal amount owing under this Interim Financing Commitment Letter when due;
- (n) failure of the Borrower to pay any interest or fees or any portion thereof owing under this Interim Financing Commitment Letter or any other Interim Financing Credit Documentation when due and such default shall remain unremedied for a period of five (5) Business Days after written notice from the Interim Lender to the Borrower that such amount is overdue;
- (o) except in the case of Section 25(o) (which shall have no cure period) and any other covenant or obligation whose breach or default in performance is specifically described elsewhere in this Section 25, failure of the Borrower to perform or comply with any other term or covenant under this Interim Financing Commitment Letter or any other Interim Financing Credit Documentation, and such default shall continue unremedied for a period of three (3) Business Days;
- (p) if the Borrower commences an action or takes any other proceeding to obtain any form of relief against the Interim Lender, or any affiliate thereof, including, without limitation, a proceeding to recover damages or to obtain payment of any amounts purported to be owing by the Interim Lender, or any affiliate thereof to the Borrower or any affiliate thereof if the Interim Lender or such affiliate disputes any of the same; and
- (q) the expiration of the stay issued under the CCAA Proceedings.

26. REMEDIES:

Upon the occurrence of an Event of Default, and subject to the Restructuring Court Orders, the Interim Lender may elect to terminate their and the Initial Lender's commitment to make Interim Advances to the Borrower hereunder and declare the obligations in respect of this Interim Financing Credit Documentation to be immediately due and payable and cease making any further Interim Advances. Without limiting the foregoing remedies, upon the occurrence of an Event of Default, the Interim Lender may elect to permanently reduce the Maximum Amount. In addition, upon the occurrence of an Event of Default, the Interim Lender may subject to any Restructuring Court Order:

- (a) apply to the Court for the appointment of a receiver, an interim receiver or a receiver and manager over the Collateral, or for the appointment of a trustee in bankruptcy of the Borrower;
- (b) set-off or combine any amounts then owing by the Interim Lender to the Borrower against the obligations of the Borrower to the Interim Lender hereunder or under any other Interim Financing Credit Documentation;

- (c) apply to the Court, on notice to the Borrower, for an order or orders, on terms satisfactory to the Monitor, the Interim Lender, providing the Monitor with the power, in the name of and on behalf of the Borrower, to take all necessary steps in the CCAA Proceedings;
- (d) subject to obtaining prior approval from the Court, exercise the powers and rights of a secured party under the *PPSA* or any legislation of similar effect; and
- (e) subject to obtaining prior approval from the Court, exercise all such other rights and remedies under the Interim Financing Credit Documentation, the Restructuring Court Orders and applicable law.

27. INTERIM LENDER'S APPROVALS:

Any consent, approval, instruction or other expression of the Interim Lender shall be in the Interim Lender's sole and absolute discretion, unless otherwise provided in this Interim Financing Commitment Letter and shall be delivered by any written instrument, including by way of electronic mail, by the Interim Lender, or its counsel, pursuant to the terms of this Interim Financing Commitment Letter.

28. TERMINATION BY THE BORROWER:

Effective immediately upon the indefeasible payment in full in immediately available funds of all of the outstanding Interim Financing Obligations, (a) this Interim Financing Commitment Letter, the other Interim Financing Credit Documentation, the Interim Facility shall be cancelled without any further action from any party and (b) all obligations of the Borrower and the Interim Lender under this Interim Financing Commitment Letter and the other Interim Financing Credit Documentation shall cease, except those obligations in Section 24 that explicitly survive termination.

29. AMENDMENTS, WAIVERS, ETC.:

No waiver or delay on the part of the Interim Lender in exercising any right or privilege under this Interim Financing Commitment Letter or any Interim Financing Credit Documentation will operate as a waiver thereof unless made in writing by the Interim Lender and delivered in accordance with the terms thereof, and then such waiver shall be effective only in the specific instance and for the specific purpose given.

30. SUCCESSORS AND ASSIGNS:

The provisions of this Interim Financing Commitment Letter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that the Borrower may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Interim Lender, which consent may be refused in the sole and absolute discretion of the Interim Lender. The Interim Lender may, at any time, assign or participate to one or more assignees or participants all or a portion of its rights and obligations under this Interim Financing Commitment Letter.

31. COUNTERPARTS AND FACSIMILE

This Interim Financing Commitment Letter may be executed in any number of counterparts and by facsimile or other electronic

SIGNATURES:

transmission, each of which when executed and delivered shall be deemed to be an original and which when taken together shall constitute one and the same instrument. Any party may execute this Interim Financing Commitment Letter by signing any counterpart of it.

32. NOTICES:

Any notice, request or other communication hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered to:

In the case of the Borrower:

Westphalia Dev. Corp.
25th Floor, 500 – 4th Avenue SW
Calgary, AB T2P 2V6 Canada

Attention: Bill Doherty, Chief Financial Officer
Email: bdoherty@walton.com

Attention: Autumn Habermehl, Chief Financial Officer
Email: ahabermehl@walton.com

With a copy to:

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

Attention: Howard A. Gorman, K.C./Meghan Parker
Email: howard.gorman@nortonrosefulbright.com/
meghan.parker@nortonrosefulbright.com

In the case of the Interim Lender:

Walton Global Investments Ltd.
25th Floor, 500 – 4th Avenue SW
Calgary, AB T2P 2V6 Canada

Attention: Bill Doherty, Chief Financial Officer
Email: bdoherty@walton.com

In the case of the Monitor:

FTI Consulting Canada Inc.
1610, 520, 5th Ave S.W.
Calgary, AB T2P 3R7 Canada

Attention: Deryck Helkaa / Dustin Olver
Email: Deryck.helkaa@fticonsulting.com
Dustin.olver@fticonsulting.com

With a copy to:

Blake, Cassels & Graydon LLP

855 - 2 St. S.W., Suite 3500
Calgary, AB T2P 4J8 Canada

Attention: Kelly J. Bourassa
Email: kelly.bourassa@blakes.com

- 33. GOVERNING LAW:** This Interim Financing Credit Documentation shall be governed by, and construed in accordance with, the laws of the Province of Alberta and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the parties hereto have executed this Interim Financing Commitment Letter.

BORROWER:

WESTPHALIA DEV. CORP., as Borrower

By: _____
Name:
Title:

By: _____
Name:
Title:

INTERIM LENDER:

WALTON GLOBAL INVESTMENTS LTD., as
Interim Lender

By: _____
Name:
Title:

By: _____
Name:
Title:

SCHEDULE "A"

DEFINED TERMS

"**Administration Charge**" means the administration charge on the Collateral in an aggregate amount not to exceed Cdn. \$500,000.

"**ARIO**" means, in the event the Initial Order is granted, an amended and restated Initial Order (as may be further amended or amended and restated from time to time) granted by the Court.

"**Borrower**" has the meaning given thereto in Section 1.

"**Borrower Bank Account**" means the following account to which payments and transfers under the Interim Financing Commitment Letter are to be affected:

Account:	101938188
Transit Number:	00109
Bank:	Bank of Montreal
Branch Address:	350-7th Ave. SW, 9th Floor Calgary Alberta T2P 3N9 Canada
Swift Code:	BOFMCAM2

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

"**Cash Flow Projections**" means a statement indicating the Borrower's weekly cash-flow projections, in form, content and detail satisfactory to the Interim Lender setting forth a 13-week cash flow forecast of the cash receipts and cash disbursements of the Borrower beginning January 13, 2025, with the Cash Flow Projections as at the date of this Agreement being those attached as Appendix A to the pre-filing report of FTI Consulting Canada Inc., in its capacity as proposed monitor of the Borrower.

"**CCAA**" has the meaning given thereto in the preamble.

"**CCAA Proceedings**" has the meaning given thereto in the preamble.

"**Cdn. Dollars**" and the symbol "**Cdn. \$**" and the symbol "**\$**" each mean lawful money of Canada.

"**Claims**" has the meaning given thereto in Section 24.

"**Closing Date**" has the meaning given thereto in Section 6.

"**Collateral**" means all present and future assets and property of the Borrower, real and personal, tangible or intangible, and whether now owned or which are hereafter acquired or otherwise become the property of the Borrower.

"**Commitment**" means, as to the Interim Lender, its obligation to make Interim Advances to the Borrower pursuant to Section 8 and 9 in an aggregate principal amount at any one time outstanding not to exceed the Maximum Amount, as such amount may be adjusted from time to time in accordance with this Interim Financing Commitment Letter.

"**Court**" has the meaning given thereto in the preamble.

"Default" means any event or condition which, with the giving of notice, lapse of time or upon a declaration or determination being made (or any combination thereof), would constitute an Event of Default.

"Default Interest Rate" has the meaning given thereto in Section 19.

"Directors' Charge" means a charge in an amount not to exceed Cdn. \$25,000 on all the present and future assets, property and undertaking of the Borrower, real and personal, tangible and intangible, and whether now owned or which are hereafter acquired or otherwise become the property of the Borrower, granted in favour of the current and future directors and officers of the Borrower.

"Disposition" or **"Dispose"** means the sale, transfer, license, lease or other disposition (including any sale and leaseback transaction), whether in one transaction or in a series of transactions, of any property (including, without limitation, any equity interests) by any Person (or the granting of any option or other right to do any of the foregoing), including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

"Dollars" and **"\$"** and **"Canadian Dollars"** and **"Cdn.\$"** mean lawful money of Canada.

"Equivalent Amount" means, with respect to any two currencies, the amount obtained in one such currency when an amount in the other currency is converted into the first currency using the spot rate of exchange for such conversion as quoted by the Bank of Canada at the close of business on the Business Day that such conversion is to be made (or, if such conversion is to be made before close of business on such Business Day, then at close of business on the immediately preceding Business Day).

"Event of Default" has the meaning given thereto in Section 25.

"Filing Date" means the date in which the Initial Order is granted.

"Funding Conditions" has the meaning given thereto in Section 9.

"Governmental Authority" means any federal, provincial, state, regional, municipal or local government or any department, agency, board, tribunal or authority thereof or other political subdivision thereof and any entity or Person exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government or the operation thereof.

"Indemnified Persons" has the meaning given thereto in Section 24.

"Initial Advance" has the meaning given thereto in Section 6.

"Initial Funding Conditions" has the meaning given thereto in Section 8.

"Initial Order" means the initial order granted by the Court on January 14, 2025 pursuant to which the Borrower will become subject to the CCAA Proceedings.

"Interest Payment Date" means the first after the end of each month provided that, in any case, on the Maturity Date or, if applicable, any earlier date on which the Interim Facility is fully cancelled or permanently reduced in full, shall be an Interest Payment Date with respect to all Interim Advances then outstanding under the Interim Facility.

"Interest Period" means, as to any loan, the period commencing on the date such loan is disbursed and ending on the date one month thereafter; provided that:

- (a) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;
- (b) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and
- (c) no Interest Period shall extend beyond the Maturity Date.

"Interim Advance" and **"Interim Advances"** have the meanings given thereto in Section 5.

"Interim Facility" has the meaning given thereto in Section 5.

"Interim Financing Credit Documentation" has the meaning given thereto in Section 7.

"Interim Financing Fees and Expenses" has the meaning given thereto in Section 10.

"Interim Financing Obligations" has the meaning given thereto in Section 8.

"Interim Lender" has the meaning given thereto in Section 2.

"Interim Lender Charge" has the meaning given thereto in Section 8.

"Liens" means all mortgages, charges, pledges, hypothecs, assignments by way of security, conditional sales or other title retention arrangements, security created under the *Bank Act* (Canada), liens, encumbrances, security interests or other interests in property, howsoever created or arising, whether fixed or floating, perfected or not, which secure payment or performance of an obligation and, including, in any event:

- (a) deposits or transfers of cash, marketable securities or other financial assets under any agreement or arrangement whereby such cash, securities or assets may be withdrawn, returned or transferred only upon fulfilment of any condition as to the discharge of any other indebtedness or other obligation to any creditor;
- (b) (i) rights of set-off or (ii) any other right of or arrangement of any kind with any creditor, which in any case are made, created or entered into, as the case may be, for the purpose of or having the effect (directly or indirectly) of (A) securing indebtedness, (B) preferring some holders of indebtedness over other holders of indebtedness or (C) having the claims of any creditor be satisfied prior to the claims of other creditors with or from the proceeds of any properties, assets or revenues of any kind now owned or later acquired (other than, with respect to (C) only, rights of set-off granted or arising in the ordinary course of business); and
- (c) absolute assignments of accounts receivable,

in each of the foregoing cases, granted by the Borrower or against the Collateral.

"Material Adverse Change" means any event, circumstance, occurrence or change which results, or which would reasonably be expected to result, in a material adverse change in:

- (a) the ability of the Borrower to perform any material obligation under this Interim Financing Commitment Letter and any other Interim Financing Credit Documentation or any Restructuring Court Order, or the ability of the Borrower to carry out a Plan or Restructuring Option;
- (b) the validity or enforceability of any of the Interim Lender Charge or the ranking of any of the Liens granted thereby or the material rights or remedies intended or purported to be granted to the Interim Lender, under or pursuant to such Interim Lender Charge; or
- (c) the business, operations, assets, condition (financial or otherwise) or results of operations of the Borrower, on a consolidated basis.

"Maturity Date" has the meaning given thereto in Section 14.

"Maximum Amount" has the meaning attributed thereto in Section 5.

"Monitor" has the meaning given thereto in Section 13.

"Monthly Cash Flow Projections" means the Borrower's monthly cash-flow projections, in form, content and detail satisfactory to the Interim Lender setting forth (a) a rolling monthly cash flow forecast of the cash receipts and cash disbursements of the Borrower beginning February 1, 2025; and (b) a variance report comparing the actual cash receipts and cash disbursements for the preceding month to the projected cash receipts and cash disbursements for such month and explaining, to the reasonable satisfaction of the Interim Lender, variances of 15% or more, as such Cash Flow Projections may be updated, amended or modified from time to time by the Borrower.

"Permitted Liens" means (i) the Interim Lender Charge; (ii) any charges created under the ARIO or other order of the Court in the CCAA Proceedings subsequent in priority to the Interim Lender Charge (including, without limitation, the Directors' Charge), the limit and priority of each of which shall be acceptable to the Interim Lender; (iii) valid and perfected Liens existing prior to the date hereof; (iv) inchoate statutory Liens arising after the Filing Date in respect of any accounts payable arising after the Filing Date in the ordinary course of business, provided to pay all such amounts are paid as and when due; and (v) the Permitted Priority Liens.

"Permitted Priority Liens" means: (a) the Priority Charge; (b) statutory super-priority Liens for unpaid employee source deductions; and (c) such other Liens as may be agreed to in writing by the Interim Lender. For greater certainty, except as expressly set forth herein, Liens arising from the construction, repair, maintenance and/or improvement of real or personal property, shall not be "Permitted Priority Liens".

"Person" includes any natural person, corporation, company, limited liability company, trust, joint venture, association, incorporated organization, partnership, Governmental Authority or other entity.

"Plan" has the meaning given thereto in Section 17.

"PPSA" means the *Personal Property Security Act* (Alberta) and the regulations promulgated thereunder, as amended from time to time, provided if validity, perfection and effect of perfection and non-perfection of the Interim Lender's security interest in or Lien on any Collateral of the Borrower are governed by the personal property security laws of any jurisdiction other than Alberta, then PPSA shall mean those personal property security laws (including the Civil Code of Quebec) in such

other jurisdiction for the purposes of the provisions hereof relating to such validity, perfection, and effect of perfection and non-perfection and for the definitions related to such provisions, as from time to time in effect.

"Prime Rate" means, on any day, the annual rate of interest announced from time to time by Royal Bank of Canada as being its reference rate then in effect on such day for determining interest rates on Canadian Dollar denominated commercial loans made by it in Canada; provided that, if the Prime Rate as so determined for any day would be less than zero percent *per annum*, the Prime Rate will be deemed to be zero percent *per annum* for such day.


"Priority Charge" means the Administration Charge.

"Restructuring Court Order" and **"Restructuring Court Orders"** have the meanings given thereto in Section 22(e).

"Restructuring Option" means any transaction involving the refinancing of the Borrower, the sale of all or substantially all of the assets of the Borrower or any other restructuring of the Borrower's businesses and operations, including any liquidation, bankruptcy or other insolvency proceeding in respect of the Borrower.

This is **Exhibit "B"** referred to in the Affidavit of Bryce Tingle, K.C.

Sworn/Affirmed before me at the City of Calgary, Alberta the 21 day of January, 2025



A Commissioner for Oaths in and for the Province of Alberta

Meghan Parker
Barrister and Solicitor

RESTRUCTURING SUPPORT AGREEMENT

THIS RESTRUCTURING SUPPORT AGREEMENT made as of [●], 2025.

BETWEEN:

WESTPHALIA DEV. CORP., a corporation existing under the laws of the Province of Alberta

(the "Company")

- and -

WALTON WESTPHALIA DEVELOPMENT (USA), LLC., a limited liability company existing under the laws of the State of Maryland

(the "Subsidiary")

- and -

WALTON GLOBAL INVESTMENTS LTD., a corporation existing under the laws of the Province of Alberta

(the "Plan Sponsor" and "Interim Lender" as specifically identified herein)

WHEREAS on January 14, 2025 the Company was granted protection and permission to commence proceedings (the "CCAA Proceedings") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, C-36, as amended (the "CCAA"), pursuant to an Order of the Court of King's Bench of Alberta (the "Court") (as may be further amended, restated or varied from time to time);

AND WHEREAS the Company is indebted to the Plan Sponsor, among other things, pursuant to the terms of a Management Services Agreement dated February 27, 2012, as assigned and novated from Walton Asset Management L.P. to the Plan Sponsor on April 1, 2018 (the "Management Services Agreement");

AND WHEREAS the Subsidiary requires further and ongoing financial support in order to complete the project for the "Westphalia" property located along Pennsylvania Avenue in Prince George County, Maryland;

AND WHEREAS the Parties have entered into this Agreement in support of certain transactions which will be implemented through the CCAA Proceedings and will be effected through the WGIL Amendments on terms more particularly described in a plan of compromise and arrangement substantially in the form attached as Schedule "A" hereto (the "CCAA Plan");

ARTICLE 1 INTERPRETATION

1.1 Definitions

Additionally, in this Agreement, unless the context otherwise requires:

- (a) "Agreement" means this Restructuring Support Agreement, including the attached Schedules.

- (b) "**Applicable Law**" means, in relation to any Person, property or circumstance, all laws and statutes, including regulations, rules, by-laws, ordinances and other statutory instruments enacted thereunder; all judgments, decrees, rulings and orders of courts, tribunals, commissions and other similar bodies of competent jurisdiction; all orders, rules, directives, policies and guidelines having force of law issued by any Governmental Authority; requirements of a stock exchange; and all terms and conditions of any permits; that are in each case in effect as of the relevant time and are applicable to such Person, property or circumstance.
- (c) "**Authorization Order**" means an order of the Court, in form and substance satisfactory to the Company and the Plan Sponsor, each acting reasonably, among other things, authorizing the Company to enter into this Agreement and to pursue the Plan Transaction in accordance with the terms of this Agreement.
- (d) "**Business Day**" means a day, other than a Saturday, Sunday or a statutory or civic holiday, on which banks are generally open for business in Calgary, Alberta.
- (e) "**CCAA**" has the meaning ascribed thereto in the recitals of this Agreement.
- (f) "**CCAA Plan**" has the meaning ascribed thereto in the recitals of this Agreement.
- (g) "**CCAA Proceedings**" has the meaning ascribed thereto in the recitals of this Agreement.
- (h) "**Claim**" has the meaning ascribed thereto in the CCAA Plan.
- (i) "**Claims Procedure Order**" has the meaning ascribed thereto in the CCAA Plan.
- (j) "**Contract(s)**" means all agreements, contracts, leases (whether for real or personal property), purchase orders, undertakings, covenants not to compete, employment agreements, confidentiality agreements, licenses, instruments, obligations and commitments to which a Person is a party or by which a Person or any of its assets are bound or affected, whether written or oral.
- (k) "**Court**" has the meaning ascribed thereto in the recitals of this Agreement.
- (l) "**Effective Date**" means the date on which the Plan Transaction is implemented.
- (m) "**Financial Statements**" means the audited consolidated financial statements for the years ended December 31, 2023 and December 31, 2022 of the Company together with the notes thereto and for the three and nine months ended September 30, 2024 and 2023 together with the notes thereto.
- (n) "**IFRS**" means International Financial Reporting Standards as issued by the International Accounting Standards Board, as in effect from time to time.
- (o) "**Interim Facility**" has the meaning ascribed thereto in the CCAA Plan.
- (p) "**Interim Financing Commitment Letter**" has the meaning ascribed thereto in the CCAA Plan.
- (q) "**Governmental Authority**" means any:
 - (i) governmental entity or authority of any nature, including any governmental ministry, agency, branch, department or official, and any court, regulatory board or other tribunal; or
 - (ii) individual or body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory or taxing authority or power of any nature;

having jurisdiction or power over any Person, property, operation, transaction or other matter or circumstance.

- (r) **"Management Services Agreement"** has the meaning ascribed thereto in the recitals of this Agreement.
- (s) **"Material Contract"** means each Contract and other instrument or document (including any amendment to any of the foregoing) of the Company:
 - (i) with any director, officer or affiliate of the Company;
 - (ii) that in any way purports to materially restrict the business activity of the Company or to limit the freedom of the Company to engage in any line of business or to compete with any Person or in any geographic area or to hire or retain any Person;
 - (iii) that could reasonably be expected to have a material effect on the business, affairs, condition, capitalization, properties, assets, liabilities, prospects, operations or financial performance of the Company, including the Management Services Agreement, or on the Plan Transaction; and
 - (iv) any other Contract, if a breach of such Contract could reasonably be expected to result in a material adverse effect.
- (t) **"Meeting Order"** has the meaning ascribed to such term in the CCAA Plan.
- (u) **"Monitor"** means FTI Consulting Canada Inc., in its capacity as Court-appointed Monitor of the Company in the CCAA Proceedings.
- (v) **"Party"** means a party to this Agreement, and **"Parties"** means both of the parties to this Agreement.
- (w) **"Plan Outside Date"** means April 30, 2025, or such other date as the Plan Sponsor and the Company may agree.
- (x) **"Plan Sponsor Claims"** means the claims of the Plan Sponsor against the Company, set forth on the Plan Sponsor's signature page.
- (y) **"Plan Transaction"** means, collectively, the transactions set forth in the CCAA Plan.
- (z) **"Person"** includes any individual, body corporate, partnership (limited or general), trust, trustee, executor or similar official, Governmental Authority or other entity.
- (aa) **"Requisite Transaction Approvals"** means: (i) the Authorization Order; (ii) the Meeting Order and the Sanction Order; and (iii) any other order of the Court in connection with the implementation of the Plan Transaction.
- (bb) **"Sanction Order"** means an order of the Court, in form and substance satisfactory to the Company and the Plan Sponsor, each acting reasonably, among other things, approving the CCAA Plan and providing for the releases and other relief from the Court contemplated by the CCAA Plan.
- (cc) **"Tax"** or **"Taxes"** includes all present and future taxes, surtaxes, duties, levies, imposts, rates, fees, assessments, withholdings, dues and other charges of any nature imposed by any Governmental Authority, including income, capital, withholding, consumption, sales, use, transfer, goods and services, harmonized or other value added, excise, customs, anti-dumping, countervail, net worth,

stamp, registration, franchise, payroll, employment health, education, business, school, property, local improvement, development, education development and occupation taxes, surtaxes, duties, levies, imposts rates, fees, assessments, withholdings, dues and charges, and other assessments or similar charges in the nature of a tax, including Canada Pension Plan and provincial pension plan contributions, employment insurance and unemployment insurance premiums and workers compensation premiums, together with all fines, interest, penalties on or in respect of, or in lieu of or for non-collection of, those taxes, surtaxes, duties, levies, imposts, rates, fees, assessments, withholdings, dues and other changes, whether disputed or not.

- (dd) "**Tax Return**" or "**Tax Returns**" means all returns, declarations of estimated tax payments, reports, estimates, information returns, and statements, including any related or supporting information with respect to any of the foregoing, filed or required to be filed with any taxing authority.
- (ee) "**WGIL Amendments**" means any amendments or amendments and restatements to the Management Services Agreement and together with any related agreements, instruments or other documents, as required, between the Company, the Plan Sponsor and any further parties, as applicable, pursuant to which the Plan Sponsor will agree, among other things and on the terms and conditions set forth therein, to certain amendments to the Management Services Agreement and to certain covenants with respect thereto.

1.2 Schedules

Appended to this Agreement is Schedule "A" - CCAA Plan. This Schedule is incorporated into and forms part of this Agreement. If any term or condition of such Schedule conflicts or is inconsistent with any term or condition in the main body of this Agreement, the term or condition in the main body of this Agreement shall prevail to the extent of the conflict or inconsistency.

1.3 Headings

The use of "Article", "Section", "sub-clause", "paragraph" and "Schedule", whether or not followed by a number or letter or combination thereof, refers to the applicable article, clause, sub-clause, paragraph or schedule of or to this Agreement.

1.4 Interpretation Not Affected by Headings

The division of this Agreement into articles, clauses, sub-clauses, paragraphs and other sub-divisions and the insertion of headings for any of the foregoing are for convenience and reference only and shall not affect the construction or interpretation of this Agreement.

1.5 Words Importing Number or Gender

When the context reasonably permits, words in this Agreement that suggest the singular shall be construed to suggest the plural and vice versa, and words in this Agreement that suggest gender or gender neutrality shall be construed to suggest the masculine, feminine and neutral genders.

1.6 Contra Proferentem

The Parties acknowledge that their respective legal counsel have reviewed and participated in settling the terms of this Agreement, and agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting Party shall not apply to the interpretation hereof.

1.7 Use of Derivative Terms

If a derivative form of a term or expression that is already specifically defined in this Agreement is also used in this Agreement, then such derivative form shall have a meaning that corresponds to the applicable defined term or expression.

1.8 Use of "Including"

The use of "including" or "includes" or similar words in this Agreement, when following any general statement, term or matter, is not to be construed to limit such general statement, term or matter to the specific items immediately following such word to those or similar items, whether or not non-limiting language (such as "without limitation" or "but not limited to" or words or phrases of similar import) is used, but rather such references shall be construed to refer to all items that could reasonably fall within the broadest possible scope of such general statement, term or matter.

1.9 Statutory References

Any reference in this Agreement to a law, statute, regulation, rule, by-law or other requirement of law or any governmental consent, approval, permit or other authorization shall be deemed to refer to such law, statute, regulation, rule, by-law or other requirement of law or such governmental consent, approval, permit or other authorization as it has amended, supplemented, re-enacted, varied, amended or otherwise modified or replaced from time to time up to the applicable time.

1.10 Contractual References

Any reference in this Agreement to another contract, agreement, instrument or other document shall be deemed to refer to such contract, agreement instrument or other document as it has been amended, modified, replaced or supplemented from time to time up to the applicable time.

1.11 Monetary References

Any reference in this Agreement to a monetary amount, including the use of the term "Dollar" or the symbol "\$", shall mean the lawful currency of Canada unless the contrary is specified or provided for elsewhere in this Agreement.

1.12 References to Time

Any reference in this Agreement to any particular time shall mean the local time in Calgary, Alberta on the relevant day.

1.13 Calculation of Time Periods

Unless otherwise specified, time periods within or following which any payment is to be made or any act is to be done under this Agreement shall be calculated by excluding the day on which the period commences and including the day on which such period ends.

1.14 Conflict

In the case of a conflict between the provisions contained in the text of this Agreement and the CCAA Plan, the terms of the CCAA Plan shall govern.

**ARTICLE 2
IMPLEMENTATION OF PLAN TRANSACTION**

2.1 Implementation of Plan Transaction

- (a) The Parties will each use commercially reasonable efforts to give effect to the Plan Transaction by way of the CCAA Plan prior to the Plan Outside Date on the terms set out in and consistent in all material respects with this Agreement and the CCAA Plan.
- (b) The Parties agree to cooperate with each other in order ensure that the Plan Transaction is structured and effectuated in a tax efficient manner acceptable to the Plan Sponsor.
- (c) The Parties agree to cooperate with each other in good faith and use commercially reasonable efforts to complete the steps set forth in the CCAA Plan in accordance with the timeline set forth therein (or such other timeline as may hereafter be agreed by the Company and the Plan Sponsor).

**ARTICLE 3
REPRESENTATIONS AND WARRANTIES**

3.1 Representations and Warranties of Plan Sponsor

The Plan Sponsor hereby represents and warrants to the Company (and acknowledges that the Company is relying upon such representations and warranties) that:

- (a) it is the legal or beneficial holder of, or exercises control and direction over the Plan Sponsor Claims, set forth on the Plan Sponsor's signature page to this Agreement;
- (b) this Agreement has been duly executed and delivered by it and, assuming the due authorization, execution and delivery by all Parties, this Agreement constitutes the legal, valid and binding obligation of the Plan Sponsor, enforceable in accordance with its terms, subject to laws of general application and bankruptcy, insolvency and other similar laws affecting creditors' rights generally and general principles of equity;
- (c) it is duly organized, validly existing and in good standing under the law of the Province of Alberta and has all necessary power and authority to execute and deliver this Agreement and to perform its obligations hereunder, including the power and authority to consummate the transactions contemplated hereby;
- (d) the execution and delivery of this Agreement by it and the completion by it of the transactions contemplated herein do not and will not violate or conflict with any judgment, order, notice, decree, statute, law, ordinance, rule or regulation applicable to it or any of its properties or assets, or will result (with or without notice or the passage of time) in a violation, conflict or breach of, or constitute a default under, or require any consent to be obtained under, its certificate of incorporation, articles, bylaws or other charter documents;
- (e) it is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada);
- (f) except as contemplated by this Agreement, it has not deposited any of its Plan Sponsor Claims into a voting trust, or granted (or permitted to be granted) any proxies or powers of attorney or attorney in fact, or entered into a voting agreement, understanding or arrangement, with respect to the voting of its Plan Sponsor Claims where such trust, grant, agreement, understanding or arrangement would in any manner restrict the ability of the Plan Sponsor to comply with its obligations under this Agreement; and

- (g) there is not now pending or threatened against it or any of its properties, nor has it received notice in respect of, any claim, potential claim, litigation, action, suit, arbitration, investigation or other proceeding before any governmental entity that, individually or in the aggregate, would reasonably be expected to have an adverse effect on its ability to execute and deliver this Agreement and to consummate the Plan Transaction.

3.2 Representations and Warranties of the Company

The Company hereby represents and warrants to the Plan Sponsor (and the Company acknowledges that the Plan Sponsor is relying upon such representations and warranties) that:

- (a) as of the date hereof: (i) the Company is indebted to the Plan Sponsor in the principal amounts set forth on the Plan Sponsor's signature page to this Agreement; and (ii) the Company has no claim, demand, set-off, counterclaim or any similar right or claim against the Plan Sponsor (in any capacity) with respect to any Claims;
- (b) the board of directors of the Company has approved this Agreement and concluded that entering into this Agreement is in the best interests of the Company;
- (c) it is a sophisticated party with sufficient knowledge and experience to evaluate properly the terms and conditions of this Agreement; it has conducted its own analysis and made its own decision to enter into this Agreement and has obtained such independent advice in this regard as it deemed appropriate; and it has not relied in such analysis or decision on any Person other than its own independent advisors;
- (d) this Agreement has been duly executed and delivered by it, and, assuming the due authorization, execution and delivery by all Parties, and subject to approval of the Court, this Agreement constitutes its legal, valid and binding obligation, enforceable in accordance with its terms, subject to laws of general application and bankruptcy, insolvency and other similar laws affecting creditors' rights generally and general principles of equity;
- (e) it is duly organized, validly existing and in good standing under the law of the Province of Alberta and, subject to approval by the Court, has all necessary power and authority to execute and deliver this Agreement;
- (f) subject to the satisfaction of the conditions precedent contained herein and the Requisite Transaction Approvals, the execution and delivery of this Agreement by it and the completion by it of the Plan Transaction do not and will not:
 - (i) violate or conflict with any judgment, order, notice, decree, statute, law, ordinance, rule or regulation applicable to it or any of its properties or assets; or
 - (ii) as at the date hereof and except where such violation or conflict would not be reasonably expected to cause a material adverse effect on the Company, result (with or without notice or the passage of time) in a violation, conflict or breach of, or constitute a default under, or require any consent to be obtained under, or give rise to any third party right of termination, amendment, first refusal, cancellation or acceleration under, or result in any penalty or payment obligation or right of purchase or sale under, any provision of:
 - (A) its certificate of incorporation, articles, bylaws or other charter documents; or
 - (B) any agreement, arrangement or understanding to which the Company is a party or by which the Company or any of its properties or assets is bound or affected;

- (g) as at the date hereof, other than the CCAA Proceedings or as contemplated by the CCAA Plan, there is no proceeding, claim or investigation pending before any court, regulatory body, tribunal, agency, governmental or legislative body, or, to the knowledge of the Company, threatened against it or any of its properties that individually or in the aggregate (i) could reasonably be expected to have a material adverse effect on its ability to execute and deliver this Agreement and to consummate the Plan Transaction, or (ii) is material to its business;
- (h) the Financial Statements have been prepared in accordance with IFRS and the Company's accounting policies and practices consistently applied throughout the periods included therein. The Financial Statements present fairly, in all material respects, the financial condition of the business of the Company as of the dates set forth therein, and the results of operations and cash flows for the periods covered thereby, in conformity with IFRS;
- (i) as at the date hereof, the Company does not have any liabilities or obligations of any nature (whether absolute, accrued, contingent or otherwise) except: (i) as set forth in the Financial Statements; (ii) for liabilities incurred in the ordinary course of business consistent with past practice subsequent to the Financial Statements which would not have a material adverse affect on the Company; and (iii) for any liabilities incurred in connection with the Interim Facility or pursuant to the Plan Transaction;
- (j) except with respect to the Management Services Agreement, to the knowledge of the Company, as at the date hereof: (i) the Company is in compliance with the terms of the Material Contracts to which it is a party, and (ii) there is no existing breach or other event that provides a counterparty to any Material Contract (with or without notice) to terminate such Material Contract;
- (k) it has conducted its business in material compliance with all Applicable Laws and has not received any notice to the effect that, or has otherwise been advised that, it is not in material compliance with such laws;
- (l) the Company has timely filed when due (taking into account any extensions) with each relevant Governmental Authority all Tax Returns required to be filed by it in respect of any Taxes. To the knowledge of the Company, all such Tax Returns are correct and complete in all material respects, and no material fact has been omitted therefrom; and to the best of the Company's knowledge and subject to the claims process in the CCAA Proceedings, the Company has paid in full and when due all Taxes required to be paid by it, whether or not such Taxes are shown on a Tax Return or on any assessments or reassessments;
- (m) to the knowledge of the Company and subject to the claims process in the CCAA Proceedings, the Company has timely and properly withheld and remitted all Taxes required to be withheld and remitted in accordance with applicable Tax laws, including all Taxes arising in connection with any amounts paid or owing to any employee, independent contractor, creditor, equity holder, other third party or non-resident for purposes of applicable Tax laws; and to the best of the Company's knowledge and subject to the claims process in the CCAA Proceedings, there are no claims pending or, to the knowledge of the Company, threatened against any of the Company in respect of any Taxes;
- (n) to the knowledge of the Company, as at the date hereof, the assets of Company have been insured against risks normally covered by insurance policies by companies carrying on business of a similar nature of the Company and all such insurance policies are in full force and effect, all premiums due and payable thereon have been paid, all material terms and conditions of such policies have been complied with, and no written notice of cancellation or termination has been received by any Company with respect to any such policy that is not replaceable by the Company on substantially similar terms prior to the date of such cancellation;

- (o) since commencement of the CCAA Proceedings and except for the CCAA Proceedings, the Company has not undergone an adverse change that is material to its business or financial condition, excluding any such effect or effects that result from general economic, financial, currency exchange, securities or commodity market conditions in Canada or elsewhere; and
- (p) no representation or warranty of it contained in this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein not misleading. To the knowledge of the Company, all documents provided to the Plan Sponsor are true, accurate and complete copies in all material respects of the documents they purport to be.

ARTICLE 4 COVENANTS AND CONSENTS

4.1 Plan Sponsor's Covenants and Consents

- (a) The Plan Sponsor hereby consents and agrees to the terms of this Agreement.
- (b) In each case subject to Applicable Law and any order that may be granted by a court of competent jurisdiction, the Plan Sponsor covenants to the Company that it agrees to take all commercially reasonable actions necessary to consummate the Plan Transaction in accordance with the terms and conditions set forth in this Agreement and the CCAA Plan and for certainty, including as may be applicable:
 - (i) voting on a timely basis in favour of the CCAA Plan in respect of its portion of the Plan Sponsor Claims in accordance with the Meeting Order (unless otherwise deemed by the CCAA Plan to be voting in favour or unless restricted from doing so pursuant to the CCAA in which case the Plan Sponsor shall abstain from voting on the CCAA Plan);
 - (ii) voting against any action that would result in any breach of any representation, warranty, covenant or agreement of any obligation of the Plan Sponsor in this Agreement or the CCAA Plan;
 - (iii) supporting the Company's request for approval of any of the Requisite Transaction Approvals;
 - (iv) entering into, executing and delivering to the Company the WGIL Amendments in accordance with the CCAA Plan; and
 - (v) such other actions as may be reasonably required to complete the Plan Transaction and to assist the Company and the Monitor with the implementation of the CCAA Plan, including the transactions, payments and distributions contemplated therein.
- (c) The Plan Sponsor agrees that between the date of execution of this Agreement and the termination of this Agreement, it shall not, directly or indirectly:
 - (i) sell, assign, lend, pledge, hypothecate (except with respect to security generally applying to its investments which does not adversely affect its ability to perform its obligations under this Agreement) or otherwise transfer any Plan Sponsor Claims or any rights or interests therein (or permit any of the foregoing) in whole or in part, or enter into any agreement, arrangement or understanding in connection therewith;
 - (ii) except as contemplated by this Agreement, deposit any of the Plan Sponsor Claims into a voting trust, or grant (or permit to be granted) any proxies or powers of attorney or attorney

in fact, or enter into a voting agreement, understanding or arrangement, with respect to the voting of its Plan Sponsor Claims if such trust, grant, agreement, understanding or arrangement would in any manner restrict the ability of the Plan Sponsor to comply with its obligations under this Agreement; or

- (iii) take any action inconsistent with this Agreement that would frustrate or hinder the consummation of the Plan Transaction.
- (d) The Plan Sponsor agrees that, until the termination of this Agreement, it shall, on and subject to the terms and conditions hereof:
- (i) use commercially reasonable efforts and take all reasonable necessary actions to support the approval of the Plan Transaction as promptly as practicable;
 - (ii) support all applications filed by the Company in any court proceeding that are in furtherance of the Plan Transaction;
 - (iii) except as permitted herein, not propose, file, solicit, vote or otherwise support any alternative offer, restructuring, liquidation, workout or plan of compromise or arrangement or reorganization of the Company;
 - (iv) not accelerate or enforce or take any action or initiate any proceeding, directly or indirectly, to enforce the payment or repayment of any of its debt or the Plan Sponsor Claims;
 - (v) not take, or omit to take, any action, directly or indirectly, that is materially inconsistent with, or is intended or is likely to interfere with the approval or consummation of the Plan Transaction;
 - (vi) provide credit support to the Company and the Subsidiary in such a manner and on such terms so as to ensure that the Company, the Subsidiary or any of their affiliates involved in the development of the "Westphalia" property located along Pennsylvania Avenue in Prince George County, Maryland (collectively, the "**Project Affiliates**") have access to funding for such project on terms satisfactory to the Company and the Subsidiary, each acting reasonably. Without limiting the generality of the foregoing, such credit support shall include providing financing to the Company, the Subsidiary and/or one or more Project Affiliates, guaranteeing the obligations of any of the Company, the Subsidiary or any of their Project Affiliates in respect of financing obtained by the Company, the Subsidiary or any Project Affiliate from other sources, or both; and
 - (vii) execute any and all documents and perform any and all commercially reasonable acts required by this Agreement to satisfy all of its obligations hereunder including any consent, approval or waiver requested by the Company in furtherance of the Plan Transaction, acting reasonably;

provided, however, that nothing contained herein shall limit the ability of any Plan Sponsor to appear in Court and be heard concerning any matter arising in the CCAA Proceedings so long as such appearance is not inconsistent with the Plan Sponsor's obligations hereunder.

4.2 Company's Covenants

In each case subject to obtaining the Authorization Order and subject to Applicable Law and any order that may be granted by a court of competent jurisdiction:

- (a) The Company consents and agrees to the terms of this Agreement.

- (b) The Company agrees to use its reasonable best efforts (including taking all reasonable actions necessary to obtain any regulatory and Court approvals for the Plan Transaction) to achieve the timelines set out in the CCAA Plan (which timelines may be extended at any time with the approval of the Plan Sponsor). The Company agrees that it shall be responsible for the payment of any filing fees or other costs in connection with the foregoing filings and applications.
- (c) The Company shall provide to counsel for the Plan Sponsor draft copies of all pleadings, motions, applications, judicial or financial information and other documents the Company intends to file with the Court as soon as reasonably practical prior to the date when the Company intends to file such document, all such filings to be filed in form and substance reasonably acceptable to the Company and Plan Sponsor, each in their sole discretion.
- (d) The Company hereby agrees to promptly notify the Plan Sponsor if, at any time before the termination of this Agreement, the Company becomes aware: (i) that any information disclosure for the Plan Sponsor, an application for a regulatory approval or any other order, registration, consent, filing, ruling, exemption or approval under Applicable Laws contains a statement which is inaccurate or incomplete in any material respect; or (ii) of information that otherwise requires an amendment or supplement to such information disclosure or such application, and (in such event) the Company shall co-operate in the preparation of such amendment or supplement as required.
- (e) The Company hereby agrees to: (A) indemnify and hold harmless the Plan Sponsor, and its respective subsidiaries, affiliates, funds, shareholders, officers, directors, employees, partners, advisors, legal counsel and agents, in each case, solely when acting in such capacities (each an "Indemnified Party") from and against any and all liabilities or claims by Persons who are not party to this Agreement (other than liabilities or claims attributable to any of such Persons' gross negligence, fraud or willful misconduct as determined by the final, non-appealable judgment of a court of competent jurisdiction) arising prior to the earlier of: (i) the Effective Date and (ii) the date on which this Agreement is terminated; and (B) reimburse each Indemnified Party, within a reasonable time after such request for reimbursement is made, for all reasonable legal and other expenses reasonably incurred by it in connection with investigating, preparing to defend or defending, or providing evidence in or preparing to serve or serving as a witness with respect to, any lawsuit, investigation, claim or other proceeding relating to any of the foregoing (including in connection with the enforcement of the indemnification obligations set forth herein).
- (f) With respect to Material Contracts, other than (i) entering into the Interim Facility, (ii) amending or modifying any existing loan agreements and related documents or instruments governing any liabilities owed by the Subsidiary to any third parties, and (iii) as contemplated by the CCAA Plan, the Company shall not, without the consent of the Plan Sponsor, materially amend, materially modify, replace, terminate, repudiate, disclaim, waive any material right under to take any other material steps or actions under or in respect of such Material Contract in any manner.
- (g) The Company shall not amalgamate, consolidate with or merge into or sell all or substantially all of its assets to another entity, or change the nature of its business or its corporate or capital structure, other than as contemplated by the CCAA Plan or with the consent of the Plan Sponsor.
- (h) Other than as contemplated by the Interim Facility, the Company shall not: (i) prepay, redeem prior to maturity, defease, repurchase or make other prepayments in respect of any indebtedness, (ii) directly or indirectly, create, incur, assume, guarantee or otherwise become directly or indirectly liable with respect to any indebtedness of any kind whatsoever, and (iii) create, incur, assume or otherwise cause or suffer to exist or become effective any lien, charge, mortgage, hypothec or security interest of any kind whatsoever on, over or against any of its assets or property, in each case other than as contemplated by the CCAA Plan or with the consent of the Plan Sponsor.

- (i) Subject to the terms of this Agreement, the Company shall not transfer, lease, license or otherwise dispose of all or any part of its property, assets or undertakings outside the ordinary course consistent with past practice, other than in accordance with the CCAA Plan or with the consent of the Plan Sponsor.
- (j) The Company shall use commercially reasonable efforts to maintain its assets in a proper and prudent manner in accordance with past practices, and in the ordinary course of business, in material compliance with all laws and directions of governmental entities, and pay or cause to be paid all costs and expenses relating to its assets which become due from the date hereof to the Effective Date.
- (k) The Company shall not, other than as contemplated by this Agreement or the CCAA Plan, enter into any Material Contract, other than with the consent of the Plan Sponsor.
- (l) Except as contemplated by this Agreement, the CCAA Plan and the Interim Facility, the Company shall not, directly or indirectly, do any of the following, other than as consented to by the Plan Sponsor:
 - (i) issue, sell, grant, pledge, assign, dispose of, encumber or agree to issue, sell, grant, pledge, assign, dispose of or encumber any shares or other securities of, or any options, warrants, calls, conversion privileges or rights of any kind to acquire any of its securities;
 - (ii) amend or propose to amend its certificate of incorporation, articles, by-laws or other constating documents;
 - (iii) declare, set aside or pay any dividend or other distribution payable in cash, stock, property or otherwise with respect to any of its shares;
 - (iv) redeem, purchase or offer to purchase any of its securities;
 - (v) reduce its capital or the stated capital;
 - (vi) (A) acquire or agree to acquire (by merger, amalgamation, acquisition of securities or assets or otherwise) any Person or (B) make any investment either by purchase of securities, contributions of capital, property transfer or purchase of any property or assets of any other Person;
 - (vii) admit, accept, permit, waive, release, assign, settle or compromise any Claims: (A) against the Company; (B) against any of the current or former directors or officers of any of the Company; or (C) which asserts or claims priority over any portion of the Plan Sponsor Claims or the security relating to the Plan Sponsor Claims (other than as it relates to the Interim Facility); or
 - (viii) make any changes in accounting methods, principles, policies or practices, except insofar as may be required by generally accepted accounting principles as in effect from time to time in Canada or Applicable Laws.
- (m) The Company shall promptly notify the Plan Sponsor of:
 - (i) any resignation of, or leave of absence taken by, any of its directors or senior officers;
 - (ii) including under the Claims Procedure Order, any Claims threatened or brought: (A) against the Company; (B) against any of the current or former directors or officers of any of the

Company; or (C) which asserts or claims priority over any portion of the Plan Sponsor Claims or the security relating to the Plan Sponsor Claims; or

- (iii) any event, condition or development that has resulted in the inaccuracy or breach of any representation or warranty, covenant or agreement contained in this Agreement made by or to be complied with by it.
- (n) Having regard to its financial condition, the Company shall at all times prior to the termination of this Agreement carry on its business only in the ordinary course consistent with past practice, and in accordance with generally accepted practices customary in the industry of the Company and in compliance with all laws, except as may be expressly otherwise provided for in this Agreement or as may be consented to by the Plan Sponsor.
- (o) The Company shall maintain and shall continue to maintain appropriate insurance coverage in amounts and on terms that are customary in the industry of the Company.

4.3 Negotiation of Documents

- (a) The Parties shall cooperate with each other and shall coordinate their activities (to the extent reasonably practicable) in respect of: (i) the timely satisfaction of conditions with respect to and the effectiveness of the Plan Transaction; (ii) all matters concerning the implementation of the Plan Transaction; and (iii) the pursuit and support of the Plan Transaction. Furthermore, subject to the terms hereof, each of the Company and the Plan Sponsor shall take such actions as may be reasonably necessary to carry out the purposes and intent of this Agreement, including making and filing any required regulatory filings (provided that the Plan Sponsor shall not be required to incur any expense, liability or other obligation that is not reimbursed by the Company).
- (b) Each Party hereby covenants and agrees: (i) to cooperate and negotiate in good faith, and consistent with this Agreement, the definitive documents implementing, achieving and relating to the Plan Transaction, all ancillary documents relating thereto, and any orders of the Court relating thereto, each of which shall contain terms and conditions consistent in all material respects with the CCAA Plan; and (ii) to execute (to the extent they are a party thereto) and otherwise support such documents.
- (c) The Company shall work cooperatively with the Plan Sponsor and its representatives, agents and advisors to prepare and, subject to approval of the Court as required, finalize all documentation (including the documents identified in the CCAA Plan) utilized or required to effect the Plan Transaction. All such documentation shall be in form and substance acceptable to the Company and the Plan Sponsor, acting reasonably.

ARTICLE 5 CONDITIONS PRECEDENT

5.1 Conditions to Plan Sponsor's Obligations

Notwithstanding anything to the contrary contained in this Agreement and without limiting any other rights of the Plan Sponsor hereunder, the obligations of the Plan Sponsor, and implementation of the Plan Transaction, shall be specifically and expressly subject to each and all of the following conditions:

- (a) the Authorization Order shall have been granted;
- (b) all material agreements, consents and other material documents relating to the Plan Transaction shall be in form and substance reasonably satisfactory to the Plan Sponsor;

- (c) all orders made and judgments rendered by any competent court of law in relation to the Plan Transaction, and all rulings and decrees of any competent regulatory body, agent or official in relation to the Plan Transaction shall be satisfactory to the Plan Sponsor, acting reasonably;
- (d) all actions taken by the Company in furtherance of the Plan Transaction shall be consistent in all material respects with this Agreement;
- (e) the Company shall have complied in all material respects with its covenants and obligations under or in respect of this Agreement;
- (f) the Company shall have executed and delivered to the Interim Lender, the Interim Financing Commitment Letter, in the form acceptable to the Plan Sponsor in its sole discretion; and
- (g) there shall not have occurred, after the date hereof, any material and adverse change to the business of the Company, excluding any such material and adverse change that results from general economic, financial, currency exchange, securities or commodity market conditions.

5.2 Conditions to the Company's Obligations

Notwithstanding anything to the contrary contained in this Agreement and without limiting any other rights of the Company hereunder, the obligations of the Company under this Agreement, and the implementation of the Plan Transaction, shall be specifically and expressly subject to each and all of the following conditions:

- (a) the Authorization Order shall have been granted;
- (b) the Plan Sponsor shall have complied in all material respects with each of its covenants and obligations in this Agreement that is to be performed on or before the implementation of the Plan Transaction;
- (c) the Interim Lender shall have executed and delivered to the Company the Interim Financing Commitment Letter;
- (d) all actions taken by the Plan Sponsor in furtherance of the Plan Transaction shall be consistent in all material respects with this Agreement; and
- (e) all orders made and judgments rendered by any competent court of law, and all rulings and decrees of any competent regulatory body, agent or official in relation to the Plan Transaction shall be satisfactory to the Company, acting reasonably.

5.3 Other Transactions

Subject to the terms of this Agreement, the Company shall keep the Plan Sponsor fully apprised on a contemporaneous basis of any discussions, inquiries or proposals made to the Company or initiated by a third party regarding any other proposed transaction out of the ordinary course of the Company's business (an "**Other Transaction**") and, except as permitted pursuant to this Agreement, the Company shall not initiate any discussions, inquiries or proposals with a third party in respect of any Other Transaction or agree to or enter into any non-binding or binding term sheets, commitments, understandings or agreements in respect of any Other Transaction without obtaining the prior approval of the Plan Sponsor, and the Company shall cease any discussions with third parties with respect to any Other Transaction upon the written direction of the Plan Sponsor; provided that, notwithstanding the foregoing, or any other term of this Agreement, the Company shall be permitted to negotiate an Other Transaction if, prior to any negotiation of definitive documents related to such Other Transaction, the board of directors of the Company determines, on the advice of its financial and legal advisors, that such proposal would be reasonably

expected to result in a transaction that is more favorable in all respects to the Company and the Company's stakeholders than the terms set forth in the CCAA Plan (a "**Superior Proposal**"), and the board of directors has determined, based on the advice of the Company's financial and legal advisors, and after having considered all other relevant factors, including, among others, whether the Company's stakeholders would support the Superior Proposal and the risk of completion, that the support of such Superior Proposal would be necessary for compliance with and discharge of their fiduciary duties as directors of the Company. In the event the Company or their financial or legal advisors receives any proposal from a third party that the board of directors believes may constitute a Superior Proposal, before accepting such Superior Proposal, the board of directors will promptly notify the Plan Sponsor of the terms thereof, including the identity of the proposing party(ies). In the event that the board of directors, after consultation with its financial and legal advisors, determines in good faith that it can no longer support or recommend the Plan Transaction because of the receipt of a Superior Proposal, the Company shall promptly (in any event no later than two (2) Business Day following such determination) so inform the Plan Sponsor (including as to the terms of any such proposal that the board of directors has determined is a Superior Proposal) and the Plan Sponsor shall have ten (10) Business Days in which to propose an alternative to the Superior Proposal that is of comparable value and provides for treatment to the Company and its stakeholders at least as favorable as the terms set forth in the Superior Proposal and, at which time, the Company shall commit to and pursue such alternative proposal (and prior to the expiration of such ten (10) Business Day period shall not accept such Superior Proposal).

ARTICLE 6 TERMINATION

6.1 Termination

- (a) This Agreement may be terminated by the Plan Sponsor, in its sole discretion, by providing written notice to the Company, upon:
- (i) the Company failing to meet any of the timeline requirements set forth in the CCAA Plan within the times set forth therein (as such times may be extended in accordance with the terms hereof or thereof);
 - (ii) the Company breaching any of its obligations, covenants, representations or warranties under this Agreement (excepting any breach the effect of which is *de minimis*), provided that if such breach is cured within five (5) Business Days of receipt by the Company of written notice thereof, the Plan Sponsor shall not be entitled to terminate this Agreement in accordance with Section 6.1(a);
 - (iii) the issuance of any final decision, order or decree by a governmental entity, or the commencement of an action or investigation by any governmental entity, in consequence of or in connection with the Plan Transaction, which restrains, impedes or prohibits the Plan Transaction;
 - (iv) the appointment of a receiver, interim receiver, receiver and manager, trustee in bankruptcy, liquidator or administrator with respect to any of the Company, unless such appointment is made with the prior written consent of the Plan Sponsor; or
 - (v) any of the conditions set out in Section 5.1 not being waived, or satisfied and discharged in accordance with the terms thereof,

in each case unless the event giving rise to the termination right is waived or cured in accordance with the terms hereof.

- (b) This Agreement may be terminated by the Company, by providing written notice to the Plan Sponsor, upon:
 - (i) the Plan Sponsor breaching any of its material obligations, covenants, representations or warranties under this Agreement, provided that if such obligation, covenant, representation or warranty is curable, it remains uncured for five (5) Business Days after receipt by the Plan Sponsor of written notice thereof;
 - (ii) the issuance of any final decision, order or decree by a governmental entity, or the commencement of an action or investigation by any governmental entity, in consequence of or in connection with the Plan Transaction, which restrains, impedes or prohibits the Plan Transaction;
 - (iii) if the Company enters into an agreement with respect to a Superior Proposal as permitted herein; or
 - (iv) any of the conditions set out in Section 5.2 not being waived, or satisfied and discharged in accordance with the terms thereof,

in each case unless the event giving rise to the termination right is waived or cured in accordance with the terms hereof.

- (c) This Agreement may be terminated at any time by written consent of the Company and the Plan Sponsor.
- (d) This Agreement shall automatically terminate following the completion of the Plan Transaction on the Effective Date.
- (e) Subject to (f) and (g) below, this Agreement, upon its termination, shall be of no further force and effect and each Party hereto shall be automatically and simultaneously released from its commitments, undertakings, and agreements under or related to this Agreement.
- (f) Each Party shall be responsible and shall remain liable for any breach of this Agreement by such Party occurring prior to the termination of this Agreement.
- (g) Notwithstanding the termination of this Agreement pursuant to this Section 6.1, the agreements and obligations of the Parties in Sections 4.2(e), 7.2, 7.4, 7.5, 7.7 and 7.10 shall survive such termination and shall continue in full force and effect for the benefit of the Parties in accordance with the terms hereof.

ARTICLE 7 GENERAL

7.1 Information and Access

The Company shall provide to the Plan Sponsor on a timely basis in accordance with the terms of any applicable Court order: (a) any and all information, documents, materials, and access reasonably requested by the Plan Sponsor, and (b) any and all other information which might be reasonably expected to be of material interest to them in relation to this Agreement or the Plan Transaction. The Company shall promptly notify the Plan Sponsor if there has been any material change in any of the information the Company have provided to the Plan Sponsor in connection with the transactions contemplated by this Agreement or the Plan Transaction.

7.2 Further Assurance

The Company and the Plan Sponsor shall do all such things in their control, take all such actions as are commercially reasonable, deliver to the other Parties such further information and documents and execute and deliver to the other Parties such further instruments and agreements as another Party shall reasonably request to consummate or confirm the transactions provided for in this Agreement, to accomplish the purpose of this Agreement or to assure to the other Party the benefits of this Agreement.

7.3 Entire Agreement

The provisions contained in all documents and agreements collateral hereto shall at all times be read subject to the provisions of this Agreement and, in the event of conflict, the provisions of this Agreement shall prevail. This Agreement supersedes all other agreements, documents, writings and verbal understandings between the Parties relating to the subject matter of this Agreement and expresses the entire agreement of the Parties with respect to the subject matter of this Agreement.

7.4 Governing Law

- (a) This Agreement shall, in all respects, be subject to, interpreted, construed and enforced in accordance with and under the laws of the Province of Alberta and the laws of Canada applicable therein and shall, in every regard, be treated as a Contract made in the Province of Alberta.
- (b) The Parties shall attorn and submit to the jurisdiction of the courts of the Province of Alberta and courts of appeal therefrom in respect of all matters arising out of this Agreement.

7.5 Assignment; Enurement

Other than as specified herein, this Agreement may not be assigned by a Party without the prior written consent of the other Party, which consent may be unreasonably and arbitrarily withheld. This Agreement shall be binding upon and shall enure to the benefit of the Parties and their respective administrators, trustees, receivers, successors and permitted assigns.

7.6 Time of Essence

Time shall be of the essence in this Agreement.

7.7 Notices

Any notice or other communication to be delivered hereunder must be in writing and refer to this Agreement and may, as hereinafter provided, be made or given by personal delivery, ordinary mail, email or by facsimile addressed to the respective Parties as follows:

- (a) If to the Company:

Westphalia Dev. Corp.
500 – 4th Avenue SW, 25th Floor
Calgary, Alberta, T2P 2V6

Attention: [●]
Email: [●]

With a copy to:

Norton Rose Fulbright Canada LLP
400 3rd Avenue S.W., Suite 3700
Calgary, Alberta T2P 4H2

Attention: Howard A. Gorman, K.C.
Email: howard.gorman@nortonrosefulbright.com

(b) If to the Monitor:

FTI Consulting Canada Inc., Monitor of the Applicant
1610, 520, 5th Ave S.W.
Calgary, AB T2P 3R7

Attention: Dustin Olver
Email: dustin.olver@fticonsulting.com

With a copy to:

Blake, Cassels & Graydon LLP
855 - 2 St. S.W., Suite 3500
Calgary AB T2P 4J8

Attention: Kelly Bourassa
Email: kelly.bourassa@blakes.com

(c) If to the Plan Sponsor:

Walton Global Investments Ltd.

Attention: [●]
Email: [●]

With a copy to:

[●]

Attention: [●]
Email: [●]

or to such other address as any Party may from time to time notify the others in accordance with this Section 7.7. Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of emailing, provided that such day in either event is a Business Day and the communication is so delivered or emailed before 5:00 p.m. on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day.

7.8 Invalidity of Provisions

In case any of the provisions of this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions contained in this Agreement shall not in any way be affected or impaired thereby.

7.9 Waiver

No failure on the part of any Party in exercising any right or remedy under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by other Applicable Law or otherwise conferred. No waiver of any provision of this Agreement, including this Section 7.9, shall be effective otherwise than by an instrument in writing dated subsequent to the date of this Agreement, executed by a duly authorized representative of the Party making such waiver.

7.10 Survival; No Merger

The respective representations, warranties, covenants and indemnities of the Parties contained in this Agreement, including all qualifications thereof and limitations thereon, shall not be merged in any assignments, conveyances, transfers and other documents provided for under this Agreement and shall survive the Effective Date to the extent provided in the respect terms thereof.

7.11 Amendment

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date of this Agreement, executed by a duly authorized representative of each Party.

7.12 Counterpart Execution

This Agreement may be executed in any number of counterparts with the same effect as if all signatories to the counterparts had signed one document. All such counterparts shall together constitute and be construed as one instrument. For avoidance of doubt, a signed counterpart provided by way of facsimile transmission or other electronic means shall be as binding upon the Parties as an originally signed counterpart.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the Effective Date.

WESTPHALIA DEV. CORP.

Per: _____

Name:

Title:

**WALTON WESTPHALIA DEVELOPMENT (USA),
LLC**

Per: _____

Name:

Title:

Name of Interim Lender
Address of Interim Lender

Walton Global Investments Ltd.
[●]

Signature
Name of Signatory (if applicable)
Title of Signatory (if applicable)



Name of Plan Sponsor
Address of Plan Sponsor

Walton Global Investments Ltd.
[●]

Signature
Name of Signatory (if applicable)
Title of Signatory (if applicable)
Principal Amount of Plan Sponsor Claim

[\$5,839,375.51]

A - 1

SCHEDULE "A"

CCAA PLAN

See Attached.